

SCRep. 1-14 Judiciary on H.B. No. 611

The purpose of this measure is to protect the health and safety of minors by making it unlawful for a tanning facility to allow individuals under the age of eighteen to use tanning equipment that tans the skin with electromagnetic radiation.

The American Cancer Society Cancer Action Network supported this bill. The Department of Health provided comments.

Your Committee has amended this measure by:

- (1) Inserting \$250 as the maximum fine amount for a first violation and \$500 as the maximum fine amount for a subsequent violation; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 611, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 611, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 2-14 Judiciary on H.B. No. 1072

The purpose of this measure is to increase government transparency by making the financial disclosures of the members of the University of Hawaii Board of Regents public records and available for inspection and duplication.

The League of Women Voters of Hawaii supported this measure. The University of Hawaii Board of Regents opposed this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1072, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1072, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 3-14 Judiciary on H.B. No. 677

The purpose of this measure is to require the cap on amounts to be paid for claims against the State without legislative approval to be adjusted for inflation using the consumer price index for Honolulu.

The Department of Accounting and General Services opposed this measure.

Your Committee has amended this measure by:

- (1) Changing the basis for determining inflation from the consumer price index for Honolulu to the general consumer price index for all urban consumers;
- (2) Specifying that the adjusted cap amount be published on the Department of Accounting and General Services's website;
- (3) Changing its effective date to July 1, 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 677, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 677, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 4-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1551

The purpose of this measure is to establish the Instructional Office of Hawaiian Studies to provide instruction to public school students on Hawaiian history, culture, arts, and language and appropriate funds for the establishment of the Office.

Two individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Office of Hawaiian Affairs and Department of Education provided comments on this measure.

Your Committee respectfully requests that your Committee on Education consider whether the appropriation proposed would be more suitable as a budget line item.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this

report, your Committee is in accord with the intent and purpose of H.B. No. 1551 and recommends that it pass Second Reading and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Fale.

SCRep. 5-14 Judiciary on H.B. No. 570

The purpose of this measure is to augment consumer protections for the elderly by increasing to \$20,000, the maximum amount of the fine that may be imposed for unlicensed contracting activity targeting elderly persons.

The Department of Commerce and Consumer Affairs, Subcontractors Association of Hawaii, and Contractors License Board supported this measure. The Building Industry Association of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 570 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 6-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1556

The purpose of this measure is to:

- (1) Establish the Papahānaumokuākea Legislative Inspection Committee (the "Inspection Committee"); and
- (2) Require the members of the Inspection Committee to conduct a site inspection of the Papahānaumokuākea Marine National Monument (the "Monument") every three years.

The Department of Land and Natural Resources provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that the Inspection Committee shall:
 - (A) Review the purpose and objectives of the Monument;
 - (B) Ensure that the federal government is in compliance with the Monument Management Plan established pursuant to the 2006 Presidential Proclamation that created the Monument and the Memorandum of Agreement between the federal and state government; and
 - (C) Examine how federal and state agencies are managing the Monument's resources and responding to threats including those threats from climate change and marine debris;
- (2) Requiring the Inspection Committee to submit a report to the Legislature regarding the status of the Monument prior to the start of each regular session immediately following the Inspection Committee's site visit;
- (3) Inserting an appropriation to the Department of Land and Natural Resources to coordinate and facilitate the Inspection Committee's site visits;
- (4) Changing the effective date to July 1, 2014; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees respectfully request that your Committee on Finance determine the appropriate funding mechanism for the Inspection Committee's site visits.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1556, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1556, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Fale and Thielen.

SCRep. 7-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2104

The purpose of this measure is to require the Department of Hawaiian Home Lands to devise a comprehensive plan to provide water and infrastructure sufficient for the development of Hawaiian home lands.

The Department of Hawaiian Home Lands and Association of Hawaiian Civic Clubs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the purpose section of the measure to state that:
 - (A) The primary responsibility of the homeland trust was delegated to the State of Hawaii through the Hawaii Admission Act of 1959; and
 - (B) The federal government retained certain aspects of responsibility of the homeland trust through the Hawaiian Homes Commission Act of 1920;
- (2) Deleting the requirement that the Department of Hawaiian Home Lands provide a timeline of the plan's implementation; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2104, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2104, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Lowen and Say.

SCRep. 8-14 Judiciary on H.B. No. 614

The purpose of this measure is to enhance the abatement of gambling activity by including gambling offenses in the nuisance abatement laws under chapter 712, Hawaii Revised Statutes. This measure also affords citizens who bring nuisance abatement suits against a place used for gambling the rights and protections of victims and witnesses in criminal proceedings.

The Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and Hawaii Coalition Against Legalized Gambling provided testimony in support of the measure.

Your Committee finds that this measure will provide law enforcement with an additional tool to protect the public through the abatement of gambling activity and its related ills.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 614 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 9-14 Judiciary on H.B. No. 525

The purpose of this measure is to address spousal support and maintenance benefit determinations by prohibiting the consideration of federal veteran disability benefits awarded to an obligor in the determination of a spousal support and maintenance benefit amount.

A concerned individual supported this bill. A concerned individual opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 525, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 525, H.D. 1.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 10-14 Water & Land on H.B. No. 1120

The purpose of this measure is to require the Office of Planning to establish, for the current year and every twenty years thereafter, a new detailed land classification system based on overall productivity rating to replace the five-class productivity rating system developed by the Land Study Bureau.

The Sierra Club of Hawai'i submitted testimony in support of this measure. The Office of Planning submitted comments.

Your Committee finds that the Land Study Bureau's five-class productivity rating system, based on the agricultural production capacity of various areas of the State, was developed more than twenty years ago, at a time when issues of climate change were not of such immediate concern and before the development of many contemporary agricultural technologies and practices. However, this land classification system still resonates throughout the State's laws as a driver of agricultural and land use policy.

Your Committee notes that the Land Study Bureau no longer exists and finds that no other current state agency has the specialized scientific personnel capacity to accurately produce and analyze state-wide agricultural, climatological, geological, soil science, hydrological, agronomical, and economic data. Re-establishing this capacity to update the five-class productivity rating system is too costly to undertake without certainty regarding the utility of such an update or the continued relevance of the rating system itself.

Your Committee finds that thorough investigation of the five-class productivity rating system's continued relevance and the availability of functional alternatives is the prudent course of action at this time to ensure that the State's land use regulation and agricultural policies remain effective.

Accordingly, your Committee has amended this measure by deleting its substantive contents and inserting provisions that direct the Office of Planning to:

- (1) Delete provisions that would have required the Office of Planning to establish a new detailed land classification of overall (master) productivity ratings beginning in 2014 and every twenty years thereafter; and
- (2) Conduct a study, in collaboration with other appropriate public and private parties, on the five-class productivity rating system, which shall include:
 - (A) Identification and analysis of current statutory and administrative provisions that are influenced by the system;
 - (B) Analysis of the practical effects of the system on the practice of agriculture, land use policy, and agricultural innovation in the State;
 - (C) Identification and evaluation of potential alternative systems for agricultural and land use regulation; and
 - (D) Submission of interim and final reports of findings and recommendations to the Legislature.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1120, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1120, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Say.

SCRep. 11-14 Water & Land on H.B. No. 1769

The purpose of this measure is to appropriate \$5,000,000 to the University of Hawaii at Hilo for the management of invasive albizia trees that threaten access to critical emergency services and transportation routes identified by the Hawaii County Civil Defense Agency.

The Chair of the Hawaii County Council and several individuals submitted testimony in support of this measure. The Department of Land and Natural Resources submitted comments.

Your Committee has amended this measure by:

- (1) Inserting an unspecified appropriation amount;
- (2) Clarifying that the funds appropriated shall be expended by the Department of Land and Natural Resources for the purpose of managing albizia trees that threaten access to and safe passage along tsunami evacuation routes on the island of Hawaii;
- (3) Directing the Department of Land and Natural Resources and the state's Department of Defense to collaborate to secure additional funding and resources to mitigate the public safety hazard caused by albizia trees on Hawaii island;
- (4) Changing its effective date to July 1, 2020, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1769, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1769, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 12-14 Water & Land on H.B. No. 1636

The purpose of this measure is to clarify the authority of the Department of Land and Natural Resources, the Department of Accounting and General Services, and the Judiciary to establish, amend, or eliminate fees for services related to the Land Court provided by each of those agencies.

The Department of Land and Natural Resources and the Judiciary submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1636 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 13-14 Water & Land on H.B. No. 1907

The purpose of this measure is to make available a lifetime hunting license for a discounted fee for qualified disabled veterans with a specified

disability rating or who were awarded the Purple Heart.

The Hawaii County Game Management Advisory Commission, Hawaii Hunting Association, Hawaii Rifle Association, National Rifle Association of America, two members of the Hawai'i County Council, and one individual submitted testimony in support of this measure. The Department of Land and Natural Resources and State Office of Veterans Services submitted comments.

Your Committee finds that the question of what type and level of disability should qualify a veteran for the lifetime hunting license established by this measure remains open. Your Committee respectfully requests that your Committee on Veterans, Military, & International Affairs, & Culture and the Arts further investigate this issue if that Committee chooses to consider this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1907 and recommends that it pass Second Reading and be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee.

SCRep. 14-14 Labor & Public Employment on H.B. No. 1957

The purpose of this measure is to:

- (1) Establish the Office of Talent Management ("Office") within the Department of Human Resources Development to design and facilitate state initiatives in the areas of talent administration, professional development, performance management, and leadership enterprise;
- (2) Authorize the talent management administrator to receive from any state agency, the assistance, services, facilities, and data that the administrator deems necessary to carry out the duties of the Office; and
- (3) Appropriate funds to establish the Office.

The Department of Human Resources Development provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Inserting \$350,000 as the appropriation amount for the establishment of the Office; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1957, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1957, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ing and Takumi.

SCRep. 15-14 Labor & Public Employment on H.B. No. 2038

The purpose of this measure is to establish a special fund to support services for human trafficking victims into which shall be deposited fees imposed on persons who are convicted of human trafficking offenses.

The Pacific Alliance to Stop Slavery, Courage World Wide Hawaii, Courage House Hawaii, and many individuals provided testimony in support of this measure. The Office of Community Services, Department of Budget and Finance, and IMUAlliance provided comments.

Your Committee has amended this measure by:

- (1) Changing the fee amounts imposed on persons who are convicted of human trafficking offenses to an unspecified amount;
- (2) Changing the effective date to July 1, 2300, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2038, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2038, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ing and Takumi.

SCRep. 16-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1684

The purpose of this measure is to require the Department of Land and Natural Resources to adopt rules limiting visitor capacity at manta ray aggregation sites.

An individual testified in support of this measure. An individual testified in opposition of this measure. The Department of Land and Natural Resources provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1684 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Lowen and Say.

SCRep. 17-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 2101

The purpose of this measure is to authorize a portion of state conveyance tax revenues to be paid into the Kaho'olawe Rehabilitation Trust Fund to replenish the Fund, which is used for the long-term rehabilitation of Kaho'olawe and maintenance of the Kaho'olawe Island Reserve.

The Kaho'olawe Island Reserve Commission and a few individuals provided testimony in support of this measure. The Tax Foundation of Hawaii provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2101 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Nishimoto and Fale.

SCRep. 18-14 Agriculture on H.B. No. 1931

The purpose of this measure is to support research to protect Hawaii's macadamia nut crops from macadamia felted coccid infestations.

Specifically, this measure appropriates moneys for the Department of Agriculture to research and develop methods for the prevention and treatment of macadamia felted coccid infestation in cooperation with the University of Hawaii College of Tropical Agriculture and Human Resources.

The University of Hawaii, Hawaii Macadamia Nut Association, Hawaii Farm Bureau Federation, Royal Hawaiian Orchards, Hawaii Farmers Union United, and six individuals submitted testimony in support of this measure. The Department of Agriculture submitted written comments on this measure.

Your Committee finds that this appropriation would help develop new methods to control the infestation of macadamia nut felted coccid that could devastate the macadamia nut industry in Hawaii.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1931 and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 19-14 Labor & Public Employment on H.B. No. 1974

The purpose of this measure is to adopt the recommendations made in the Office of the Auditor's Report No. 13-10, *A Report on Methodology for the Department of Labor and Industrial Relations' Workers' Compensation Medical Fee Schedule*. Specifically, this measure:

- (1) Requires the Director of Labor and Industrial Relations to update the Workers' Compensation Medical Fee Schedule annually;
- (2) Enables the Director of Labor and Industrial Relations to establish a maximum allowable fee ceiling for workers' compensation medical fees that exceeds 110 percent of the fees prescribed in the Medicare Resource Based Relative Value Scale for Hawaii;
- (3) Requires the Director of Labor and Industrial Relations to analyze this measure's impact on workers' compensation claimants' access to appropriate treatment and appropriates an unspecified amount to pay for the report no later than the regular session of 2019;
- (4) Makes an unspecified appropriation for the Department of Labor and Industrial Relations to hire two full-time equivalent positions to implement this measure; and
- (5) Includes a five-year sunset date to provide sufficient time to assess the impact on cost and access to medical treatment for workers' compensation cases.

The Auditor's report was produced pursuant to Act 97, Session Laws of Hawaii 2013, and required the Auditor to assist the Director of Labor and Industrial Relations in administratively adjusting the Workers' Compensation Medical Fee Schedule.

The Office of the Auditor; Department of Labor and Industrial Relations; ILWU, Local 142; Hawaii Medical Association; Work Injury Medical Association of Hawaii; and an individual provided testimony in support of this measure. The Chamber of Commerce of Hawaii, Property Casualty Insurers Association of America, and Hawaii Insurers Council provided testimony in opposition to this measure. The Department of Human Resources Development, National Association of Mutual Insurance Companies, and Healthcare Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting an appropriation of \$72,600 for the establishment of the positions in the Department of Labor and Industrial Relations;
- (2) Inserting an appropriation of \$150,000 to prepare the report on this measure's impact on workers' compensation claimants' access to appropriate treatment; and
- (3) Making other technical, nonsubstantive amendments for clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1974, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1974, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ing and Takumi.

SCRep. 20-14 Labor & Public Employment on H.B. No. 1975

The purpose of this measure is to:

- (1) Allow the counties to perform criminal history record checks on certain employees, prospective employees, volunteers, and contractors:
 - (A) Who work with children in community based programs;
 - (B) Whose positions involve the handling or use of firearms for other than law enforcement purposes; or
 - (C) Who are involved in an agency's information technology operations in positions with responsibilities that provide them with access to confidential information;
- (2) Allow the State and counties to perform criminal history record checks on certain employees, prospective employees, volunteers, and contractors whose position responsibilities require unescorted access to secured areas and equipment related to a traffic management center;
- (3) Clarify that the counties may perform criminal history record checks on prospective employees for fire department and emergency medical service positions that involve contact with vulnerable rather than dependent adults; and
- (4) Exempt, for purposes of criminal background checks, positions related to traffic management centers, firearms, and information technology operations, as described above, from conditional job offer requirements and time period restrictions.

The Department of Human Resources Development, City and County of Honolulu Department of Human Resources, Honolulu Police Department, City and County of Honolulu Emergency Services Department, and City and County of Honolulu Department of Transportation Services testified in support of this measure. The Hawaii Civil Rights Commission provided comments on this measure.

Your Committee has amended this measure by retaining only the proposed addition of county positions involving the handling or use of firearms for other than law enforcement purposes, to the exemption that allows inquiry and consideration of a prospective employee's conviction record without meeting the conditional job offer requirement and without restricting the inquiry to a ten-year look back period.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1975, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1975, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Ing and Takumi.

SCRep. 21-14 Labor & Public Employment on H.B. No. 1566

The purpose of this measure is to convene a task force led by the Director of Labor and Industrial Relations to study the feasibility of establishing a "pay forward pay back" program at the University of Hawaii.

The Department of Labor and Industrial Relations and the University of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring the President of the University of Hawaii, instead of the Director of Labor and Industrial Relations, to convene the task force and serve as its chairperson;
- (2) Changing the recipient of the appropriation to the University of Hawaii; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1566, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1566, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Har, Ing and Takumi.

SCRep. 22-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1795

The purpose of this measure is to:

- (1) Establish an ecotourism program for individuals to purchase native or food-bearing trees to be planted on government-owned lands; and
- (2) Establishes the Keiki, 'Opio, and Kupuna Trust Fund to:
 - (A) Collect funds received by the ecotourism program;
 - (B) Support the ecotourism program; and
 - (C) After ten years from the date of its establishment, use the interest earned on the trust corpus solely for educational programs that support the State's children and youth and caregiving services that support and benefit the State's elderly population.

A few individuals provided testimony in support of this measure. The Department of Land and Natural Resources and Department of Budget and Finance provided comments on this measure.

Your Committees have amended the measure by:

- (1) Changing its effective date to July 1, 2020, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1795, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1795, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Nishimoto and Fale.

SCRep. 23-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 2103

The purpose of this measure is to continue efforts to make Hawaii's ecosystem sustainable through the use of the Aha Moku System by:

- (1) Designating the Aha Moku Advisory Committee (Committee) as a permanent entity within the Department of Land and Natural Resources;
- (2) Requiring that the Committee hire an executive director;
- (3) Setting forth qualifications to be possessed by the executive director;
- (4) Requiring the Committee to report to the Legislature twenty days after the closing of each fiscal year;
- (5) Requiring the executive director to be included in all matters considered by the Board of Land and Natural Resources that pertain to natural resources; and
- (6) Appropriating funds for fiscal year 2014-2015 for the Committee's administrative and operational expenses.

Two individuals provided testimony in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2020, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees note that further consideration of the constitutionality of the requirement that the executive director hired be of native Hawaiian ancestry may be advisable.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2103, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2103, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Nishimoto and Fale.

SCRep. 24-14 Judiciary on H.B. No. 1498

The purpose of this measure is to protect public health and safety by prohibiting urination or defecation on paved roads or sidewalks.

An individual supported this measure. An individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1498 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Lee, Nakashima, Wooley, McDermott and Thielen.

SCRep. 25-14 Judiciary on H.B. No. 452

The purpose of this measure is to make it an election fraud for any person who, before or during an election, knowingly publishes, distributes, or otherwise promotes false information about the time, date, place, or means of voting, which impedes, prevents, or otherwise interferes with a voter's electoral rights.

The League of Women Voters of Hawaii supported this measure.

Your Committee has amended this bill by:

- (1) Clarifying that the new election fraud offense applies to every person who knowingly publishes, distributes, or otherwise communicates false information about the time, date, place, or means of voting with the purpose of impeding, preventing, or otherwise interfering with the free exercise of the elective franchise; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 452, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 452, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 26-14 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1537

The purpose of this measure is to require the Department of Land and Natural Resources to administer a permit program for grading and grubbing of land within the shoreline area for the purpose of preserving coastal dunes.

One individual submitted testimony in opposition to this measure. The Department of Land and Natural Resources submitted comments.

Your Committees have amended this measure by:

- (1) Deleting provisions that would have required the Department of Land and Natural Resources to administer a permit program for grading, grubbing, and related activities within shoreline areas, and included:
 - (A) Permit application and approval requirements;
 - (B) Prohibited activities;
 - (C) Penalties; and
 - (D) A directive to the Board of Land and Natural Resources to adopt rules to effectuate the permit program; and
- (2) Inserting provisions which amend existing statutes to specify the preservation of coastal dunes as a policy priority of the State by:
 - (A) Directing the Department of Land and Natural Resources to include in all beach restoration plans provisions to minimize adverse impacts to and disruption or degradation of coastal dunes through effective regulation; and
 - (B) Including the preservation of coastal dunes as objectives and policies of the county-administered Coastal Zone Management program.

Your Committees find that this measure, as amended by your Committees, is intended to elevate the preservation of coastal dunes to a high priority within the State's existing natural resource conservation programs and policies. It is your Committees' intent that the policy of prioritizing coastal dune preservation articulated in this measure should not require the creation of any specific new regulatory system. Rather, this policy is intended to function as a statement of important guiding principles for the State, the counties, and governmental agencies to follow in the context of carrying out existing conservation programs and duties.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1537, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1537, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Say.

SCRep. 27-14 Judiciary on H.B. No. 804

The purpose of this measure is to propose a constitutional amendment to exempt refunding general obligation bonds from the requirement that all general obligation bonds for a term exceeding two years shall be in serial form maturing in substantially equal installments of principal, or maturing in substantially equal installments of both principal and interest.

The Department of Budget and Finance and one individual testified in support of this bill.

Your Committee has amended this measure by:

- (1) Simplifying the ballot question by replacing the word "exceeding" with the phrase "of more than"; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 804, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 804, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 28-14 Housing on H.B. No. 1595

The purpose of this measure is to authorize the issuance of general obligation bonds to provide funding for the low-income housing tax credit loan program, which allows owners of qualified low-income buildings to receive a no-interest loan from the State in lieu of claiming the low-income housing tax credit.

The Hawaii Housing Finance and Development Corporation, Hawaii Association of Realtors, Hawaii Primary Care Association, Pacific Resource Partnership, Community Alliance for Mental Health, and one concerned individual supported the bill. The Department of Budget and Finance commented on the bill.

Your Committee has amended this measure by:

- (1) Specifying that the general obligation bonds to be issued shall be taxable general obligation bonds, to address the concerns raised by the Department of Budget and Finance;
- (2) Changing its effective date to July 1, 2525, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1595, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1595, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kobayashi and Matsumoto.

SCRep. 29-14 Housing on H.B. No. 1539

The purpose of this measure is to provide more opportunities for people on the waiting list to receive housing choice voucher program vouchers by requiring the surrender of vouchers when the last original member of a household vacates the housing unit or the last minor household member reaches the age of twenty-one.

A representative of the Homeless and Affordable Housing Institute and several concerned individuals supported the bill. One concerned individual opposed the bill. The Hawaii Public Housing Authority, the Community Alliance for Mental Health, and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Replacing language that refers to "parents" in a household with the terms "head or co-head of the household";
- (2) Including a provision regarding the eligibility status of legal guardians of minor household members, to reflect the concerns of the Hawaii Public Housing Authority; and
- (3) Changing its effective date to July 1, 2525, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1539, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1539, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kobayashi and Matsumoto.

SCRep. 30-14 Education on H.B. No. 1776

The purpose of this measure is to protect student health by:

- (1) Requiring children in kindergarten, sixth grade, and ninth grade to undergo a physical examination within six months of attendance at school beginning with the 2015-2016 school year; and
- (2) Making an appropriation to enable the Department of Education to effectuate the physical examination policy.

The American Diabetes Association; Hawaii Primary Care Association; American Academy of Pediatrics, Hawaii Chapter; and three concerned individuals supported this measure. The Hawaii Medical Service Association supported the intent of this measure. The Department of Education opposed this measure. The Department of Health provided comments.

Your Committee has amended this measure by:

- (1) Deleting the requirement that children in kindergarten, sixth grade, and ninth grade undergo a physical examination within six months of attendance at school;
- (2) Requiring the Board of Education to establish a pilot program in one complex area under which children in kindergarten, sixth grade, and ninth grade are required to undergo a physical examination within six months of attendance at school; and
- (3) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1776, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1776, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 31-14 Education on H.B. No. 1777

The purpose of this measure is to provide safeguards for student health by:

- (1) Authorizing Department of Education employees and agents with specified training to volunteer to administer epinephrine in an emergency situation to a student with anaphylactic shock;
- (2) Requiring training in the emergency administration of glucagon or epinephrine to students to be conducted by the Department of Health, rather than a qualified health care professional; and
- (3) Making an appropriation for instruction, training, and related expenses.

The Department of Education, Department of Health, Special Education Advisory Council, and the seventeen Community Children's Councils supported this measure. Mylan, Inc. supported this measure with amendments. The Hawaii Association for Justice opposed this measure. A concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Replacing the term "anaphylactic shock" with "anaphylaxis"; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency, including references to qualified health care professionals.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1777, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1777, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 32-14 Education/Higher Education on H.B. No. 1571

The purpose of this measure is to support agricultural education and increase community access to the benefits of gardening by:

- (1) Authorizing the Department of Education to develop programs that provide incentives to establish school gardens; and
- (2) Expanding the Hawaii Community Development Authority's authorization to develop incentive programs for urban gardening to include programs in communities and schools, in addition to programs in housing projects.

The Hawaii Primary Care Association, Maui School Garden Network, University of Hawai'i PALS Program, PLACES, and several concerned individuals supported this measure. Farm to Keiki supported this measure with amendments. The Department of Education opposed this measure. Hawai'i Farm to School and School Garden Hui, Hawaii School Garden Network, Executive Director of the Hawaii Community Development Authority, and two concerned individuals provided comments.

Your Committees have amended this measure by:

- (1) Deleting the requirement that the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources be consulted on school garden programs developed by the Department of Education and gardening programs developed by the Hawaii Community Development Authority;
- (2) Inserting blank appropriations to fund the development of authorized programs;
- (3) Changing the effective date to July 1, 2014, as a nonsubstantive, technical amendment; and
- (4) Making additional technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Education and Higher Education that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1571, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1571, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Hanohano, Say and Takai.

SCRep. 33-14 Labor & Public Employment on H.B. No. 1971

The purpose of this measure is to allow administrative, support, and instructional employees in charter schools to fully participate in the State's systems for certain employee benefits and additional supports and incentives offered by the Department of Education.

The Hawaii State Teachers Association and an individual provided testimony in support of this measure. The Department of Education, State Public Charter School Commission, Kualapuu School, Waimea Middle School, Hookakoo Corporation, and Hawaii Public Charter Schools Network provided comments on this measure.

Your Committee has amended this measure by:

- (1) Inserting an unspecified appropriation to the Department of Education to fund the provision of the additional benefits, supports, and incentives offered to charter school employees;
- (2) Changing its effective date to July 1, 2014; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1971, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1971, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Har, Ing, Yamane and Johanson.

SCRep. 34-14 Labor & Public Employment on H.B. No. 1958

The purpose of this measure is to add flexibility to the calculation of overtime compensation for government public works construction contracts greater than \$2,000 by providing that overtime compensation be not less than one-and-one-half times the laborers or mechanics basic hourly rate of pay plus fringe benefits.

The Hawaii Construction Alliance; Laborer's International Union of North America, Local 368; and Hawaii Operating Engineers Stabilization Fund provided testimony in support of this measure. The Department of Labor and Industrial Relations provided comments on this measure.

Your Committee has amended this measure by specifying that the overtime rate be as specified in the collective bargaining agreement when the basic hourly rate is based on a collective bargaining agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1958, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1958, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ing, Yamane and Johanson.

SCRep. 35-14 Human Services on H.B. No. 1621

The purpose of this measure is to provide equal treatment to all individuals regardless of income source or housing status by prohibiting discrimination in public accommodations based on homelessness, receipt of public assistance, or receipt of unemployment benefits.

The Hawaii Appleseed Center for Law and Economic Justice, Community Alliance of Mental Health, United Self Help, and a concerned individual supported this bill. The Hawaii Civil Rights Commission commented on this bill.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1621 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 36-14 Housing on H.B. No. 2083

The purpose of this measure is to authorize the Hawaii Public Housing Authority to enter into contracts with private businesses to remove food and green waste from public housing projects to divert these wastes from the landfill waste stream.

A concerned individual testified in support of this bill. The Hawaii Public Housing Authority supported the intent of the bill.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2525, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2083, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2083, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kobayashi and Matsumoto.

SCRep. 37-14 Water & Land on H.B. No. 1823

The purpose of this measure is to provide a process for resolving disputes regarding the fair market value or fair rental value of public land in sale, lease, or repurchase transactions involving the Board of Land and Natural Resources through mediation while preserving the existing remedy of binding arbitration.

Steiner & Associates; David S. DeLuz, Sr., Enterprises, Inc.; Japanese Chamber of Commerce & Industry; and Hilo Bay Printing Co., Ltd. submitted testimony in support of this measure. The Department of Land and Natural Resources submitted testimony in opposition. One individual submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Making nonsubstantive technical amendments for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1823, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1823, H.D. 1, and be referred to the Committees on Consumer Protection and Commerce and Judiciary.

Signed by all members of the Committee except Representative Fale.

SCRep. 38-14 Water & Land on H.B. No. 1830

The purpose of this measure is to further the goals of transparency and openness in arbitration proceedings regarding appraised valuation in real property transactions by requiring the recording of arbitration awards and related documents with the Bureau of Conveyances.

Several individuals submitted testimony in support of this measure. The Land Use Research Foundation of Hawaii submitted testimony in opposition. Citizens for Fair Valuation submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that records of and related to arbitration awards are public records;
- (2) Clarifying that the recording requirements contained in this measure apply to arbitrators who are named or appointed in a submission agreement to appraise or arbitrate entered into after July 1, 2014;
- (3) Clarifying that recording requirements for records of, and related, to arbitration awards are not avoidable through agreement of the parties or arbitrators;
- (4) Specifying that violation of the recording requirements contained in this measure constitutes a violation for purposes of licensing or certification as a real estate appraiser;
- (5) Changing its effective date to July 1, 2020, to continue further discussion; and
- (6) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1830, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1830, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Fale.

SCRep. 39-14 Water & Land on H.B. No. 1904

The purpose of this measure is to appropriate \$2,000,000 to the Hawaii Invasive Species Council to fund activities for the prevention and eradication of invasive species on Hawaii Island and related educational activities.

The Department of Land and Natural Resources, Democratic Party of Hawaii, Maui Invasive Species Committee, and several individuals submitted testimony in support of this measure. The Hawaii Hunting Association, Hawaii Sportsmen Alliance, and several individuals submitted testimony in opposition to this measure. The Big Island Invasive Species Committee, The Nature Conservancy of Hawai'i, and one individual submitted comments.

Your Committee finds that the Hawaii Invasive Species Council, an interdepartmental, collaborative agency with membership composed of state officials with policy-making authority in their respective agencies, performs an important state-wide function. The Council provides guidance and funding for programs to prevent, detect, control, and eradicate invasive species and for the education of the public and government officials on invasive species. Although many of the programs funded by the Council focus on activities or species that are particular to one island, these activities are of state-wide concern, as evidenced by the ease and speed with which an invasive species can spread throughout the State after becoming established in a single location. Your Committee further finds that any increase in the Council's total funding benefits the Council's state-wide mission and that providing sufficient funds for the Council to successfully carry out its mission should be a priority.

Your Committee has amended this measure by changing the appropriations amount from \$2,000,000 to an unspecified sum.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1904, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1904, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fale.

SCRep. 40-14 Agriculture on H.B. No. 1988

The purpose of this measure is to support agricultural workforce development in the State and to provide access to nutritious food for public schools by:

- (1) Establishing a Hawaii Farm to School Program; and
- (2) Appropriating an unspecified sum for a Farm to School Coordinator position for the Program.

Hawaii Farmers Union United, Hoa Aina O Makaha, NatureTalks, PLACES, Kokua Hawaii Foundation, Maui School Garden Network, Hawaii Farm to School, School Garden Hui, Farm to Keiki, and numerous individuals testified in support of this bill. The Department of Agriculture and Hawaii Farm Bureau Federation supported the intent of this measure. Several concerned individuals commented on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1988 and recommends that it pass Second Reading and be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 41-14 Agriculture on H.B. No. 1662

The purpose of this measure is to promote public awareness of the Farm to School Initiative that connects schools and local farms and to improve student access to healthy foods; provide agriculture, health, and nutrition education opportunities; and support local farmers by designating the month of October as "Farm to School Month in Hawaii".

The Department of Agriculture, Hawaii Farm Bureau Federation, Hoa 'Aina O Makaha, Hawaii Farmers Union United, Kokua Hawaii Foundation, Maui School Garden Network, Hawaii Farm to School, School Garden Hui, Hawaii Island School Garden Network-The Kohala Center, Farm to Keiki, and several individuals testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1662 and recommends that it pass Second Reading and be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 42-14 Agriculture on H.B. No. 1536

The purpose of this measure is to achieve food security by employing various means to increase the amount of locally grown food consumed by Hawaii's residents, including:

- (1) Establishing an Agricultural Development and Food Security Program in the Department of Agriculture;
- (2) Adding policy objectives designed to increase food security and food self-sufficiency into the Hawaii State Planning Act;
- (3) Establishing an On-farm Mentoring Program at the University of Hawaii at Manoa; and
- (4) Appropriating funds for new and existing programs; new and restored staffing positions; development of regional agriculture

infrastructure master plans; promoting locally grown foods; developing good agricultural practices for school gardens; and research, training, and education to promote and support food security and food self-sufficiency in Hawaii.

The Hawaii Farm Bureau Federation, Hawaii Farmers Union United, and several individuals supported this bill. The Department of Agriculture supported the intent of this measure. The University of Hawaii at Manoa College of Tropical Agriculture and Human Resources submitted comments on this bill.

Your Committee notes that the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources expressed its opposition to the On-farm Mentoring Program created by this measure.

Your Committee has amended this bill by:

- (1) Deleting provisions that established the On-farm Mentoring Program at the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources;
- (2) Deleting the appropriation to the University of Hawaii to provide funding for research, training, and education on agricultural food development and food security; and
- (3) Making technical, nonsubstantive amendments for purposes of consistency and conformity.

Your Committee respectfully requests the subsequent House committees to consider the following appropriation amounts in their deliberations on this measure:

- (1) \$3,500,000 to the Department of Agriculture to establish an Agricultural Development and Food Security Program;
- (2) \$500,000 to the Department of Agriculture to produce locally grown agricultural product promotional materials, along with other endeavors such as in-store promotions;
- (3) \$500,000 to the Department of Agriculture to expand and improve branding and labeling programs for locally grown foods;
- (4) \$50,000 to the Department of Agriculture for publicity to promote farmers' markets;
- (5) \$70,000 to the Department of Education for a farm-to-school pilot program in charter schools;
- (6) \$50,000 to the Department of Agriculture to develop good agricultural practices for school gardens;
- (7) \$500,000 to the Department of Agriculture for the establishment of specialists to certify farm food safety;
- (8) \$500,000 to the Department of Agriculture to develop regional agriculture infrastructure master plans;
- (9) \$1,000,000 to the Department of Agriculture to restore positions in food inspection, pest control, and biosecurity; and
- (10) \$600,000 to the Department of Agriculture to restore positions in market research and agricultural statistics.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1536, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1536, H.D. 1, and be referred to the Committees on Higher Education and Education.

Signed by all members of the Committee except Representative Ohno.

SCRep. 43-14 Labor & Public Employment on H.B. No. 1977

The purpose of this measure is to amend resolution procedures for an impasse between a public employer and the exclusive representative of a bargaining unit by requiring, under certain circumstances, that provisions of the final positions submitted in a collective bargaining arbitration include only proposals that were submitted before impasse.

The Office of Collective Bargaining, Department of the Attorney General, Department of Budget and Finance, Department of Education, University of Hawaii, and the Department of Human Resources of the City and County of Honolulu provided testimony in opposition to this measure. The Hawaii Labor Relations Board and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided comments.

Your Committee has amended this measure by specifying that:

- (1) The final positions submitted by each party shall include only those specific proposals that have been previously submitted in writing before impasse and about which an impasse in bargaining has been reached;
- (2) Under certain circumstances, the parties at impasse are strictly prohibited from including positions that were not previously submitted in writing before impasse and about which an impasse has not been reached; and
- (3) The arbitration panel shall decide whether the final positions submitted are compliant with statutory requirements and which proposals may be considered in the final agreement.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your

Committee is in accord with the intent and purpose of H.B. No. 1977, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1977, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ing, Yamane and Johanson.

SCRep. 44-14 Housing on H.B. No. 1886

The purpose of this measure is to appropriate funds for the Housing First Initiative, the United States Department of Housing and Urban Development's Continuum of Care Permanent Supportive Housing Programs, and the shallow subsidy rental assistance program.

The Hawaii Primary Care Association, Catholic Charities Hawaii, Partners in Care, Institute for Human Services, Inc., Phocused, Hawaii Applesseed Center for Law and Economic Justice, Family Life Center, and Community Alliance for Mental Health supported the measure. The Department of Human Services, the Hawaii Inter-agency Council on Homelessness, and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Directing that the Housing First Initiative funds be expended by the Department of Human Services, instead of the City and County of Honolulu, in response to the concerns of multiple testifiers; and
- (2) Changing its effective date to July 1, 2525, to encourage further discussion.

Your Committee respectfully requests the House Committee on Finance to consider the following appropriation amounts in its deliberations:

- (1) \$1,500,000 for fiscal year 2014-2015 for the Housing First Initiative;
- (2) \$500,000 for fiscal year 2014-2015 for matching funds for the United States Department of Housing and Urban Development's Continuum of Care Permanent Supportive Housing Programs; and
- (3) \$1,000,000 for fiscal year 2014-2015 for a shallow subsidy rental assistance program.

Your Committee further requests that if your Committee on Finance chooses to consider this measure, consideration also be given to providing additional funding for the Housing First Initiative to compensate for funds lost when the Honolulu Affordable Housing Preservation Initiative sale was terminated.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1886, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1886, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Kobayashi and Matsumoto.

SCRep. 45-14 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1618

The purpose of this measure is to assist the Board of Land and Natural Resources in administering lands and resources with respect to native Hawaiian issues by requiring that at least one member of the Board have demonstrated expertise in native Hawaiian traditional and customary practices in accordance with specified educational, work history, or substantial experience criteria.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and several individuals testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1618 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee and Fale.

SCRep. 46-14 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1648

The purpose of this measure is to enable the counties to maintain accurate property maps and records by requiring certain state agencies that are exempt from county subdivision processes to submit project maps, orders of condemnation, and recorded deeds and title transfers to the appropriate county real property assessment administrator.

The Department of Budget and Fiscal Services of the City and County of Honolulu and the County of Maui submitted testimony in support of this measure. The Department of Hawaiian Home Lands submitted comments.

Your Committees find that the counties' ability to maintain accurate property records is essential for the efficient performance of their administrative and public safety functions. Inaccurate or outdated subdivision maps and property ownership records impede county agencies' ability to respond to safety hazards such as fires and to accurately assess property taxes.

Your Committees recognize that by establishing a requirement for document submission by state agencies, this measure also establishes a corresponding requirement for document receipt and processing by county agencies. It is not your Committees' intent to create any undue burden for the

counties. Therefore, your Committees respectfully request that your Committee on Transportation further investigate the impact of this measure on the respective counties' financial and agency staff capacity, should that Committee choose to consider this measure.

Your Committees have amended this measure by changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1648, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1648, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Lee and Fale.

SCRep. 47-14 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1679

The purpose of this measure is to appropriate funds for planning, design, and construction costs associated with assessing, repairing, and maintaining the Diamond Head seawall.

The Representative of the 19th Representative District, the Gold Coast Neighborhood Association, and the Diamond Head Beach Hotel and Residences Association of Apartment Owners testified in support of this measure. The Department of Land and Natural Resources testified in opposition of this measure.

Your Committees note that although an official order of final judgment has yet to be issued, the First Circuit Court has made findings that the State is responsible for maintaining the Diamond Head seawall pursuant to Gold Coast Neighborhood Association v. State of Hawaii (Civil No. 07-1-1122-06). Your Committees also note that the Diamond Head seawall has significant cultural, historic, and recreational value, acting as a public thoroughfare to the ocean for nearly a century for both residents and visitors alike. Accordingly, as a matter of public policy, your Committees find that efforts should be undertaken to preserve and maintain the seawall to ensure continued safe public usage.

Your Committees have amended this measure by changing the appropriated sum from \$3,000,000 to an unspecified amount.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1679, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1679, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fale.

SCRep. 48-14 Human Services on H.B. No. 1785

The purpose of this measure is to make the State's laws that could sentence juveniles to life imprisonment without the possibility of parole consistent with constitutional requirements and Hawaii's value system by:

- (1) Establishing the Young Adult Rehabilitation Special Fund;
- (2) Exempting young adult defendants from life sentences without parole; and
- (3) Prohibiting young adult defendants from being transported out of the state to serve sentences.

The measure also establishes a temporary young adult rehabilitation advisory group, and appropriates funds to support the purposes of the bill.

The Hawaii Appleseed Center for Law and Economic Justice, Campaign for the Fair Sentencing of Youth, Richardson Students for the Rights of Children, and a number of concerned individuals supported this bill. The Department of Public Safety and Department of Budget and Finance commented on this bill.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion;
- (2) Inserting an unspecified appropriation amount; and
- (3) Making technical, nonsubstantive amendments for the purpose of style, clarity, and consistency.

Your Committee respectfully requests that should your Committee on Judiciary choose to consider this measure, the Chair of Human Services be given the opportunity to assist with working out concerns brought up regarding the legal language.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1785, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1785, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 49-14 Human Services on H.B. No. 1505

The purpose of this measure is to ensure financial resources are reaching adult children receiving child support payments by statutorily requiring

any child support payment for an adult child to be made directly to the adult child if the adult child:

- (1) Is presently enrolled as a full-time student in a university, college, or vocational school; or
- (2) Has been accepted into a university, college, or vocational school and plans to attend as a full-time student for the next semester.

Several concerned individuals supported this bill. The Department of the Attorney General and a concerned individual opposed this bill. The University of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1505, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1505, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 50-14 Human Services on H.B. No. 1756

The purpose of this measure is to:

- (1) Statutorily establish the Resources for Enrichment, Athletics, Culture, and Health (R.E.A.C.H.) Program within the Office of Youth Services to provide after-school programs in public middle and intermediate schools;
- (2) Establish a revolving fund for the administration and operation of the program; and
- (3) Appropriate funds to establish the program and establish one full-time position to support the program.

The Office of the Lieutenant Governor; Department of Education; Office of Youth Services; Office of Hawaiian Affairs; Hawaii Youth Services Network; REACH Out Hawaii; Maui Economic Development Board; the Principals of Mililani Middle School, Molokai Middle School, Waiakea Intermediate School, Hana High and Elementary School, and Washington Middle School; the Vice Principal of Hana High and Elementary School; and several concerned individuals supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion;
- (2) Inserting unspecified appropriation amounts to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1756, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1756, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 51-14 Human Services on H.B. No. 1993

The purpose of this measure is to amend the offense of abuse of family or household members to make the commission of an act of physical abuse in the presence of a family or household member who is under the age of fourteen a class C felony.

The Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Office of the Prosecuting Attorney, County of Hawaii; Office of the Prosecuting Attorney, City and County of Honolulu; County of Kauai Police Department; Kauai Domestic Violence Prevention Task Force; YWCA of Kauai; Pacific Alliance to Stop Slavery; Domestic Violence Action Center; Hawaii State Coalition Against Domestic Violence; Kauai Chamber of Commerce; and a number of concerned individuals supported this bill. A concerned individual commented on this bill.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1993 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 52-14 Human Services on H.B. No. 2035

The purpose of this measure is to appropriate funds to be expended by the Judiciary for purchase of service contracts for domestic violence programs.

The Judiciary, Hawaii State Coalition Against Domestic Violence, Hawaii State Commission on the Status of Women, PHOCUSED, Hawaii Disability Rights Center, Child & Family Service, Parents and Children Together, Ala Kuola, Moloka'i Community Service Council, Women Helping Women, Hawaii Women's Coalition, and a few concerned individuals supported this bill. The Domestic Violence Action Center commented on this bill.

Your Committee has amended this measure by:

- (1) Inserting an unspecified appropriation amount; and
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2035, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2035, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 53-14 Labor & Public Employment on H.B. No. 1500

The purpose of this measure is to define "incidental and supplemental work" for purposes of determining licensing requirements for general engineering and general building contractors.

The Iron Workers Stabilization Fund provided testimony in support of this measure. The Contractors License Board; General Contractors Association of Hawaii; Building Industry Association of Hawaii; S&M Sakamoto, Inc.; Warrior Contracting, LLC; Henry's Equipment Rental and Sales, Inc.; LYZ, Inc.; Ledcor Construction Hawaii, LLC; Hawaii Laborers-Employers Cooperation and Education Trust; The Pacific Resource Partnership; Hawaii Construction Alliance; TOMCO CORP.; Lindemann Construction, Inc.; Healy Tibbitts Builders, Inc.; and Laborers' International Union of North America, Local 368 provided testimony in opposition to this measure. The Subcontractors Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the definition of incidental and supplemental work;
- (2) Allowing general engineering contractors and general building contractors to perform work that is subordinate to but necessary to the completion of the project and for which the contractors do not have a license, if the value of the work performed is equal to or less than one percent of the total contract price; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1500, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1500, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Har, Ing, Yamane and Johanson.

SCRep. 54-14 Judiciary on H.B. No. 1605

The purpose of this measure is to reconcile provisions regarding contribution limits by family members to a candidate's campaign to conform with the recodification of the Hawaii Revised Statutes chapter on elections in 2010. Specifically, this measure replaces a statutory reference to reflect that sums donated by immediate family members are exempt from candidate contribution limits.

The Campaign Spending Commission and Common Cause Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1605 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 55-14 Judiciary on H.B. No. 1844

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to increase the threshold value in controversy requirement for jury trials from \$5,000 to \$10,000.

Two concerned individuals testified in support of this measure. One concerned individual testified in opposition to the bill.

Your Committee has amended this measure by making technical, nonsubstantive amendments to the ballot question to ensure its clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1844, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1844, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 56-14 Agriculture on H.B. No. 1994

The purpose and intent of this measure is to protect Hawaii's residents and businesses against the intrastate movement of invasive species.

Specifically, this measure:

- (1) Regulates the intrastate movement of certain articles and equipment that present a risk of spreading invasive species;
- (2) Establishes a civil penalty for any person who moves infested regulated articles intrastate;
- (3) Appropriates moneys to the Department of Agriculture for enforcing restrictions on intrastate movement of regulated articles and the establishment of an inter-island quarantine program;
- (4) Establishes within the Hawaii Invasive Species Council a task force to address the issue of the continued movement of invasive plants, plant pests, and vertebrate pests between islands; and
- (5) Appropriates moneys to establish the invasive species task force.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Farmers Union United, and four individuals. The Department of Agriculture and the Maui Invasive Species Committee commented on this measure.

Your Committee finds that this measure is necessary to protect Hawaii against the intrastate movement of invasive species, such as coqui frogs and little fire ants, that threaten Hawaii's economy, natural environment, and the health and lifestyle of Hawaii's residents and visitors.

Your Committee recognizes that there are some concerns regarding the implementation of this measure if enacted and the potential to inadvertently divert resources away from domestic inspection. However, your Committee notes that shipments from Hawaii are already considered high-risk in California and are therefore closely monitored. Furthermore, as of April 1, 2011, the California Department of Food and Agriculture has implemented a stricter policy for incoming shipments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1994 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 57-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 1553

The purpose of this measure is to appropriate funds for:

- (1) The administrative and operational expenses of the Aha Moku Advisory Committee; and
- (2) Community education on the administrative structure regarding the aha moku system and on natural and cultural resource management.

The Association of Hawaiian Civic Clubs; Aha Moku, Moku O Kanaloa; Aha Moku, Moku O Puna; Aha Moku, Moku O Palaa'u; and an individual provided testimony in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1553 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Fale and Thielen.

SCRep. 58-14 Judiciary on H.B. No. 1341

The purpose of this measure is to clarify Hawaii's gambling law regarding antique slot machines by:

- (1) Specifying that the possession of an antique slot machine is not unlawful where the device is not used or intended for use in any prohibited gambling activity; and
- (2) Defining "antique slot machine".

A few individuals provided testimony in support of this measure. The Department of the Attorney General; County of Kauai, Office of the Prosecuting Attorney; Maui Police Department; Department of the Prosecuting Attorney, County of Maui; Honolulu Police Department; League of Women Voters of Hawaii; and Hawaii Coalition Against Legalized Gambling provided testimony in opposition to this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1341 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 59-14 Judiciary on H.B. No. 1650

The purpose of this measure is to make necessary technical corrections to Hawaii law by amending or repealing various provisions of the Hawaii Revised Statutes and the Session Laws of Hawaii to correct errors and references, clarify language, and delete obsolete or unnecessary provisions.

Your Committee received testimony in support of this measure from the Legislative Reference Bureau.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1650 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Lee.

SCRep. 60-14 Judiciary on H.B. No. 195

The purpose of this measure is to amend the functions of the Office of the Public Guardian by:

- (1) Prohibiting the Office of the Public Guardian from petitioning for its own appointment as guardian for an incapacitated person; and
- (2) Authorizing the court to allow the Office of the Public Guardian to manage an incapacitated person's financial assets where no conservatorship is in effect.

The Office of the Public Guardian testified in support of this measure. The Department of Human Services provided comments.

Your Committee has amended this measure by terminating the Office of the Public Guardian's authority to manage the incapacitated person's financial affairs if a conservatorship comes into effect.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 195, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 195, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 61-14 Judiciary on H.B. No. 1660

The purpose of this measure is to include in the offense of obstruction:

- (1) The provision of less than one meter of space for passage on any paved public sidewalk, except as authorized by law; and
- (2) Failure to obey a reasonable request or order by a law enforcement officer to cease any activity that does not meet the one meter requirement above.

The Pacific Alliance to Stop Slavery and a few individuals testified in opposition of this measure. The Department of Transportation provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1660, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1660, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Lee.

SCRep. 62-14 Judiciary on H.B. No. 979

The purpose of this measure is to authorize the Department of Transportation to adopt rules to impose upon private parties who use state commercial harbors the duty to defend, indemnify, and hold harmless the State against claims that arise from such use.

The Department of the Attorney General and the Department of Transportation testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the scope of rules that may be adopted by the Department of Transportation for claims by private parties arising from the use or occupation of state commercial harbors and related facilities from rules imposing a duty for the private party to defend, indemnify, and hold harmless the State against such claims, to rules holding parties severally liable; and
- (2) Clarifying that adopted rules shall provide that each party pay its own attorney's fees.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 979, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 979, H.D. 2.

Signed by all members of the Committee except Representative Har.

SCRep. 63-14 Judiciary on S.B. No. 1015

The purpose of this measure is to clarify that a Hawaii person or business, excluding a government agency, shall comply with service of process for production of records in a criminal investigation or proceeding if the person or business being served has conducted business or engaged in transactions occurring at least in part in the issuing state.

The Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, and Honolulu Police Department provided testimony in support of this measure.

Your Committee previously heard and passed a similar bill, H.B. No. 785, H.D. 1, which crossed over to the Senate and carried over from the Regular Session of 2013. Your Committee prefers the approach taken in H.B. No. 785, H.D. 1, and has amended this measure to incorporate the substantive provisions of that bill. Accordingly, this bill has been amended by:

- (1) Requiring a Hawaii recipient, instead of a person or business who has conducted business or engaged in transactions occurring in the issuing state, to comply with the service process requirements;
- (2) Defining "Hawaii recipient" as a recipient (which is defined in section 806D-1, Hawaii Revised Statutes) who is physically present in the State of Hawaii;
- (3) Specifying that a Hawaii recipient must comply with service of process if the issuing state has a statute authorizing the production of records held by out-of-state persons or businesses;
- (4) Requiring the service of process issued by or in another state to include the contact information for the person applying for the issuance of the service of process; statutory authority for production of records; and relevant statutory authority upon which the pending investigation or prosecution is based; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1015, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1015, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Har, Lee, Nakashima, Wooley, McDermott and Thielen.

SCRep. 64-14 Consumer Protection & Commerce on H.B. No. 1639

The purpose of this measure is to clarify the offense of unlicensed contractor fraud by specifying that the "intent to deprive" may be formed before or after the person obtains or exerts control over the property of another.

The Department of Commerce and Consumer Affairs, the Department of the Prosecuting Attorney of the City and County of Honolulu, the Department of the Prosecuting Attorney of the County of Maui, the Office of the Prosecuting Attorney of the County of Kauai, and the Contractors License Board submitted testimony in support of this measure.

Your Committee finds that amending the offense of unlicensed contractor fraud to specify when the "intent to deprive" may be formed clarifies the law. This will make it easier to prove the offense and to deter this conduct.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1639 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Thielen.

SCRep. 65-14 Judiciary on H.B. No. 420

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to require the Judicial Selection Commission to disclose the list of judicial nominees for a vacancy in the office of the chief justice, supreme court, intermediate appellate court, circuit courts, or district courts to the public concurrently with the presentation of each list to the Governor or Chief Justice, as applicable.

The League of Women Voters; Americans for Democratic Action, Hawaii; and one concerned individual testified in support of this measure. The Department of the Attorney General testified in opposition to this bill. The Judicial Selection Commission provided comments.

Your Committee has amended this measure by replacing the term "concurrently" in the ballot question with the terms "at the same time" to ensure the ballot question's clarity.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 420, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 420, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 66-14 Water & Land on H.B. No. 2059

The purpose of this measure is to provide funding for affordable rental housing in the State by:

- (1) Adjusting the percentage of conveyance tax revenues that are annually deposited into the Rental Housing Trust Fund;
- (2) Appropriating an unspecified amount of general revenues for deposit into the Rental Housing Trust Fund; and
- (3) Appropriating an unspecified amount to the Hawaii Housing Finance and Development Corporation from the Rental Housing Trust Fund.

The Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, Hawai'i Appleseed Center for Law and Equal Justice, the Hawai'i Association of REALTORS, Rainbow Family 808, PHOCUSED, and Partners in Care submitted testimony in support of this measure. The Building Industry Association of Hawaii and The Chamber of Commerce of Hawaii submitted testimony in opposition to this measure. The Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity.

Your Committee respectfully requests that, if your Committee on Finance chooses to consider this measure, the Committee on Finance consider the effect that this measure will have on the State's overall fiscal status.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2059, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2059, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee.

SCRep. 67-14 Education on H.B. No. 1746

The purpose of this measure is to address certain outstanding issues relating to the transfer of rights, powers, functions, duties, and resources from various state departments to the Department of Education as a result of Act 51, Session Laws of Hawaii 2004, by establishing two interagency working groups to discuss and create a comprehensive plan to address:

- (1) Capital improvements statewide and repair and maintenance of public school facilities on the neighbor islands; and
- (2) The transfer of health aides from the Department of Health and training of Department of Education employees and agents in the administration of medication to students by the Department of Health.

This measure also appropriates \$535,368 in general funds to the Department of Accounting and General Services for various positions related to school repair and maintenance on the neighbor islands.

The Department of Education supported this measure. The Department of Health supported the intent of this measure. The Department of Accounting and General Services and a concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Deleting the appropriation for various positions related to school repair and maintenance on the neighbor islands; and
- (2) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1746, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1746, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Say and Takai.

SCRep. 68-14 Education on H.B. No. 1797

The purpose of this measure is to help ensure that all qualified Hawaii residents take advantage of their opportunity to vote by requiring:

- (1) The Department of Education to provide seniors at every public high school with voter registration information prior to graduation; and
- (2) The Department of Human Services to provide young adults in the Young Adult Voluntary Foster Care Program with information on voter registration.

This measure also authorizes the Department of Human Services to assist young adults with voter registration.

The Department of Education, Office of Elections, Hawaii Youth Services Network, and League of Women Voters of Hawaii supported this measure. The Elections Division of the Kauai Office of the County Clerk provided comments.

Your Committee has amended this measure by:

- (1) Authorizing the Department of Education to assist students with voter registration; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1797, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1797, H.D. 1, and be referred to the Committee on Human Services.

Signed by all members of the Committee except Representatives Aquino, Say and Takai.

SCRep. 69-14 Higher Education on H.B. No. 1653

The purpose of this measure is to streamline reporting by the University of Hawaii to the Legislature by, among other things, requiring that the University submit an annual consolidated report with specified reporting requirements.

A concerned individual supported this measure. The University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that unless an annual report is specifically exempted from the consolidated report, it may be included in the consolidated report;
- (2) Changing its effective to July 1, 2525, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1653, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1653, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 70-14 Health on H.B. No. 2033

The purpose of this measure is to meet the health needs of mothers and babies in the State by exempting breastfeeding mothers from jury duty.

The Hawaii State Commission on the Status of Women, Planned Parenthood of Hawaii, Breastfeeding Hawaii, Hawaii Women's Coalition, and two individuals testified in support of this measure.

It has come to your Committee's attention that the Hawaii State Judiciary may not have a policy regarding accommodations in the courthouse for women who breastfeed children or express breast milk. Your Committee respectfully requests that the Hawaii State Judiciary provide clarification on this matter as this measure progresses through the legislative process.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2033, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2033, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 71-14 Health on H.B. No. 1742

The purpose of this measure is to address the shortage of primary care providers in the State by appropriating funds for the interdisciplinary Hawaii Health Systems Corporation Primary Care Training Program at Hilo Medical Center.

Hawai'i Island Chamber of Commerce, Hawaii Health Systems Corporation, Hilo Medical Center, Hilo Medical Center Foundation, Hawaii Medical Association, Healthcare Association of Hawaii, and several individuals testified in support of this measure.

On October 22, 2013, Hilo Medical Center was informed that the Hawaii Island Family Medicine Residency Program met the requirements for a two-year accreditation. A total of 112 applications were received for the four family medicine residency positions. Hilo Medical Center will welcome the

first class of four residents in July 2014.

Your Committee has amended this measure by:

- (1) Deleting the amount of the appropriation; and
- (2) Changing its effective date to July 1, 2014, to facilitate further discussion. Your Committee also made technical, nonsubstantive amendments for clarity, consistency, and style.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$50,000 for Fiscal year 2014-2015 for the Interdisciplinary Hawaii Health Systems Corporation Primary Care Training Program at Hilo Medical Center.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1742, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1742, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 72-14 Health on H.B. No. 2052

The purpose of this measure is to enable greater access to the Physician Orders for Life-Sustaining Treatment (POLST) law, Chapter 327K, Hawaii Revised Statutes (HRS), by:

- (1) Amending references from "physician orders for life-sustaining treatment" to "provider orders for life-sustaining treatment" in the POLST law, to reflect that physicians are not the only primary care providers who may sign a POLST form;
- (2) Expanding health care provider signatory authority to include advanced practice registered nurses; and
- (3) Correcting inconsistencies in the POLST law with respect to terms that reflect who may sign a POLST form on behalf of a patient.

The Executive Office on Aging, Hawai'i Pacific Health, Straub Clinic & Hospital, Hawaii State Center for Nursing, The Queen's Health Systems, Hawaii Medical Service Association, American Association of Nurse Practitioners, Hawaii Association of Professional Nurses, Healthcare Association of Hawaii, and numerous individuals supported this measure. University Health Alliance and two individuals commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2052 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 73-14 Health on H.B. No. 1748

The purpose of this measure is to develop a pool of certified medical interpreters in the State by appropriating funds to:

- (1) Provide financial assistance for training and certification in medical interpretation from a nationally-recognized and accredited certification program; and
- (2) Develop medical glossaries for the primary foreign languages spoken in the State.

The Office of Language Access and an individual testified in support of this measure.

Your Committee has amended this bill by changing its effective date to July 1, 2050, to facilitate further discussion.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests its consideration of the following appropriation amounts:

- (1) \$100,000 for Fiscal Year 2014-2015 to provide financial assistance for training and certification in medical interpretation from a nationally-recognized and accredited certification program; and
- (2) \$50,000 for Fiscal Year 2014-2015 to develop medical glossaries for the primary foreign languages spoken in the State.

Your Committee notes that the awarding of financial assistance to recipients for training and certification in medical interpretation in the bill is contingent on recipients providing an unspecified number of hours of uncompensated medical interpreter services to the State and state-funded agencies within two years of receiving certification from a nationally-recognized and accredited medical interpreter program. Your Committee requests the Office of Language Access's input in assisting the House in its deliberations regarding the number of hours recipients must fulfill in uncompensated medical interpreter services.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1748, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1748, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Kobayashi.

SCRep. 74-14 Health on H.B. No. 1749

The purpose of this measure is to appropriate funds to restore three positions within the Office of Language Access to assist state and state-funded agencies in implementing the requirements of Hawaii's language access law.

The Office of Language Access testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making a technical, nonsubstantive amendment for clarity and style.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$130,000 for Fiscal Year 2014-2015 to restore the three positions within the Office of Language Access.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1749, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1749, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 75-14 Health on H.B. No. 1740

The purpose of this measure is to ensure the effective implementation and provision of language access assistance services in the State by government agencies and state-funded entities by amending the amount of funds appropriated for Fiscal Year 2014-2015 during the Regular Session of 2013 for the establishment of the Statewide Language Access Resource Center and the multilingual website pilot project.

The Office of Language Access supported this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

Your Committee respectfully requests the House Committee on Finance to consider the following appropriation amounts in its deliberations:

- (1) \$300,000 for Fiscal Year 2014-2015 to establish a Statewide Language Access Resource Center within the Office of Language Access; and
- (2) \$150,000 for Fiscal Year 2014-2015 to establish a multilingual website pilot project.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1740, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1740, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Kobayashi.

SCRep. 76-14 Transportation on H.B. No. 1702

The purpose of this measure is to help tenants displaced by the Kapalama Container Terminal Project by:

- (1) Establishing a Capital Infrastructure Tax Credit;
- (2) Enabling banks and other financial institutions to claim the Capital Infrastructure Tax Credit;
- (3) Amending section 235-2.45, Hawaii Revised Statutes, to provide that section 704(b)(2) of the Internal Revenue Code shall not apply to allocations of the Capital Infrastructure Tax Credit; and
- (4) Reinstating the Technology Infrastructure Renovation tax Credit through 2019.

The Chamber of Commerce of Hawaii; UTS Maritime Services, LLC; Pacific Marine; Navatek, Ltd.; HSI Mechanical, Inc.; Unitek Contracting Group; Pacific Shipyards International; and numerous individuals provided testimony in support of this measure. The Department of the Attorney General, Department of Taxation, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Capital Infrastructure Tax Credit applies to capital infrastructure investments made for a taxable year;
- (2) Specifying that the amount of the tax credit shall be equal to fifty per cent of the capital infrastructure costs incurred; and
- (3) Repealing the Capital Infrastructure Tax Credit on December 31, 2019, and reenacting section 235-2.45, Hawaii Revised Statutes, in its original form upon repeal.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1702, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1702, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 77-14 Transportation on H.B. No. 1586

The purpose of this measure is to extend the exemptions from special management area permit requirements that are provided to the Department of Transportation Harbors Division to the Airports and Highways Divisions of the Department of Transportation.

The Department of Transportation, General Contractors Association of Hawaii, and BIA-Hawaii provided testimony in support of this measure. The Office of Hawaiian Affairs, Sierra Club of Hawaii, Life of the Land, and a few individuals provided testimony in opposition of this measure. The Office of Planning commented on this measure.

Your Committee has amended this measure by conforming its language to the statutes which currently provide the same exemption from county approvals to the Harbors Division. Accordingly, your Committee:

- (1) Removed language amending the definitions section of the coastal zone management chapter; and
- (2) Amended section 261-4, Hawaii Revised Statutes, relating to the maintenance and operation of airports and section 261-4, Hawaii Revised Statutes, relating to state highway permits, to state that the Department of Transportation is authorized to plan, design, construct, operate, and maintain structures and improvements to land, to be used for airport and highway purposes without county approval.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1586, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1586, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Ing.

SCRep. 78-14 Transportation on H.B. No. 2147

The purpose of this measure is to exempt the operation of concessions for wireless and communication services and advertising from the public concession bidding process.

The Department of Transportation and Airport Concessionaires Committee provided testimony in support of this measure.

Your Committee has amended this measure by clarifying that the airport operation of concessions for wireless and communication services and for advertising would be exempt from the public concession bidding process.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2147, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2147, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Ing.

SCRep. 79-14 Transportation on H.B. No. 1706

The purpose of this measure is to deter illegal parking upon bicycle lanes and bicycle paths by increasing the minimum fine for those respective offenses.

The Department of Transportation and Department of Transportation Services of the City and County of Honolulu provided testimony in support of this measure.

Your Committee amended this measure by establishing a minimum fine for parking on a bikeway of \$200.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1706, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1706, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Ing.

SCRep. 80-14 Transportation on H.B. No. 1509

The purpose of this measure is to make the use of a mobile device while operating a motor vehicle a traffic infraction, delete the penalty provisions to this violation, and make violations subject to a fine of not less than \$150.

The Department of Transportation testified in opposition of this measure. The State of Hawaii Judiciary provided comments.

Your Committee has amended this measure by:

- (1) Raising the amount of the fine to not less than \$250; and
- (2) Specifying that fines imposed and collected for violations of the electronic device law be deposited into the State Highway Fund.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1509, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1509, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Ing.

SCRep. 81-14 Transportation on H.B. No. 1771

The purpose of this measure is to appropriate funds to support operational mission readiness activities of the Hawaii wing of the Civil Air Patrol, including facilities maintenance not funded by the National Civil Air Patrol.

The State Department of Defense, Department of Transportation, and State Civil Defense provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Expanding support to the Hawaii wing of the Civil Air Patrol to include capital improvements not funded by the National Civil Air Patrol;
- (2) Increasing the appropriation for support of operational mission readiness activities of the Hawaii wing of the Civil Air Patrol from \$500,000 to \$600,000; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1771, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1771, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 82-14 Transportation on H.B. No. 1667

The purpose of this measure is to recognize the dedication and service of veterans of the armed services by exempting qualifying totally and permanently disabled veterans from paying the state motor vehicle registration fee on one of their noncommercial vehicles.

The State Office of Veterans Services, Military Officers Association of America, Hawaii Chapter and an individual provided testimony in support of this measure. The Department of Transportation provided testimony in opposition to this measure. The City and County of Honolulu and the Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Deleting the income cap as one of the qualifications for the motor vehicle registration fee exemption; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1667, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1667, H.D. 1, and be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee except Representative Ing.

SCRep. 83-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1568

The purpose of this measure is to extend to June 30, 2018, the period in which counties must issue affordable housing credits to the Department of Hawaiian Home Lands (DHHL) for existing and future projects pursuant to Act 98, Session Laws of Hawaii 2012.

Several individuals provided testimony in support of this measure. The Department of Planning and Permitting of the City and County of Honolulu provided testimony in opposition to this measure. DHHL provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the DHHL affordable housing credits permanent instead of extending the sunset date of Act 98, Session Laws of Hawaii 2012, to June 30, 2018;

- (2) Making conforming amendments to Act 141, Session Laws of Hawaii 2009, because this Act also references the same sunset date for DHHL's affordable housing credits;
- (3) Changing its effective date to become effective upon approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1568, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1568, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee except Representative Lee.

SCRep. 84-14 Water & Land on H.B. No. 2640

The purpose of this bill is to effectuate its title.

H.B. No. 2640 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

The purpose of the amended measure is to require the Land Use Commission to reevaluate any decision granting a petition for boundary amendment and to consider whether the conditions for approving the petition continue to meet current legal requirements, if the landowner has not used, or made good faith efforts to use, the land within ten years of the petition approval.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2640, as amended herein, and recommends that it be recommitted to the Committee on Water & Land, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 2640, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 85-14 Water & Land on H.B. No. 2639

The purpose of this bill is to effectuate its title.

H.B. No. 2639 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents. The purpose of the amended measure is to provide a comprehensive scheme of regulation for geothermal resource exploration and development.

More specifically, this measure:

- (1) Authorizes the Board of Land and Natural Resources to issue permits for geothermal resource development within a conservation district;
- (2) Authorizes the appropriate county authority to issue permits for geothermal resource development within agricultural, rural, and urban districts if the proposed activities are not expressly permitted uses under the applicable county plan and zoning ordinances;
- (3) Amends the definition of "renewable energy producer" to include geothermal resource developers;
- (4) Requires renewable energy producers to apply to the Board of Land and Natural Resources for a mining lease on state lands; and
- (5) Prescribes penalties and remedies for violation of laws and rules relating to state mineral rights and requires penalties, fees, and costs that are collected in connection with regulation of state mineral rights to be deposited into the special land and development fund.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2639, as amended herein, and recommends that it be recommitted to the Committee on Water & Land, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 2639, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 86-14 Finance on H.B. No. 2281

The purpose of this measure is to provide an emergency appropriation of \$132,000 in general funds for the operations of the Office of the Governor.

Pursuant to requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 184 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to fund the operations of the Office of the Governor.

The Office of the Governor testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2281 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 87-14 Finance on H.B. No. 2353

The purpose of this measure is to provide an emergency appropriation of \$5,000,000 to the Department of Transportation—Airports Division for the purpose of maintaining necessary security operations at Honolulu International Airport.

Pursuant to requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 186 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to replenish security funds needed for Honolulu International Airport.

The Department of Transportation and Airlines Committee of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2353 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 88-14 Finance on H.B. No. 2248

The purpose of this measure is to provide an emergency appropriation of \$1,000,000 in general funds for the payment of costs associated with major litigation involving the State, including the retention of expert counsel and expert witnesses.

Pursuant to requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 183 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to address funds necessary for the retention of expert witnesses and specialized legal counsel in major litigation against the State of Hawaii.

The Office of Elections and Department of Transportation testified in support of this measure. The Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Lowering the emergency appropriation amount to \$700,000;
- (2) Specifying that emergency appropriation funds be used for the retention of expert counsel, expert witnesses, and other legal services; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2248, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2248, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 89-14 Finance on H.B. No. 2650

The purpose of this measure is to appropriate funds for the legislative branch of state government. Specifically, this bill:

- (1) Appropriates \$8,324,033 to the Senate;
- (2) Appropriates \$11,428,576 to the House of Representatives;
- (3) Appropriates \$2,793,849 to the Office of the Auditor;
- (4) Appropriates \$2,550,828 for deposit into the Audit Revolving Fund;
- (5) Appropriates \$6,000,000 from the Audit Revolving Fund to the Office of the Auditor to conduct or complete its audit functions;
- (6) Appropriates \$3,263,947 to the Legislative Reference Bureau;
- (7) Appropriates \$1,085,728 to the Office of the Ombudsman; and

- (8) Appropriates \$909,531 to the State Ethics Commission.

The Office of the Ombudsman, Hawaii State Ethics Commission, and League of Women Voters testified in support of this measure. The Office of the Auditor and Legislative Reference Bureau provided comments.

Your Committee has amended this measure by:

- (1) Increasing the general fund appropriation for deposit into the Audit Revolving Fund to \$2,800,000; and
- (2) Increasing the Audit Revolving Fund appropriation for the Office of the Auditor to conduct or complete its audit functions to \$6,300,000.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2650, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2650, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Tokioka and Woodson.

SCRep. 90-14 Water & Land on H.B. No. 1903

The purpose of this measure is to celebrate Hawaii's diverse natural environment and outdoor recreational activities by designating the month of September of each year as Outdoor Heritage Month

The Mayor of the County of Hawai'i, Hawai'i County Council member representing District 3, Hawaii County Game Management Advisory Commission, Hawaii Hunting Association, National Rifle Association of America, and many individuals submitted testimony in support of this measure. The Department of Land and Natural Resources submitted comments.

Your Committee finds that several existing state and national initiatives celebrating the natural environment and encouraging outdoor recreation are already recognized annually during the month of June. Your Committee finds that establishing the annual recognition of Hawaii's outdoor heritage to coincide with National Trails Day, National Fishing and Boating Week, Take Pride in America, and the annual presidential and gubernatorial proclamations of Great Outdoors Month, will facilitate coordinated events celebrating the State's forests, parks, waters, and lands and will also take advantage of federal initiatives celebrating the nation's natural resources.

Accordingly, your Committee has amended this measure by designating June, instead of September, as Outdoor Heritage Month.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1903, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1903, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 91-14 Transportation on H.B. No. 1811

The purpose of this measure is to extend the sunset date of Act 46, Session Laws of Hawaii 2012, which authorizes the Department of Transportation to modify the terms of airport concession leases, contracts, and permits.

The Department of Transportation, HMSHost, GRL Corporation, Airport Concessionaires Committee, Greeters of Hawaii, Island Shoppers Incorporated, and Tiare Enterprises Incorporated provided testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1811, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1811, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 92-14 Consumer Protection & Commerce on H.B. No. 1951

The purpose of this measure is to extend the special purpose revenue bond authorization under Act 113, Session Laws of Hawaii 2009, to Honolulu Seawater Air Conditioning, LLC, for the purpose of design and construction of a seawater air conditioning district cooling system in downtown Honolulu for five more years.

Honolulu Seawater Air Conditioning, LLC, and an individual testified in support of this measure. The Department of Business, Economic Development, and Tourism, Department of Taxation, and Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a new section stating the purpose of this measure;

- (2) Amending the lapsing date for the authorization to issue the special purpose revenue bonds to June 28, 2019, to comply with the five-year requirement under section 39A-157, Hawaii Revised Statutes;
- (3) Amending the effective date to take effect on June 29, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1951, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1951, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 93-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2357

The purpose of this measure is to work toward better managing Hawaii's ocean and marine resources by authorizing the Aha Moku Advisory Committee, in consultation with fishery communities engaging in traditional Hawaiian fishery sustainability practices, to provide advice on establishing and applying traditional konohiki management practices to restore fishery food stocks and environmental well-being.

The Association of Hawaiian Civic Clubs, Hui Malama o Mo'omomi, and a few individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Land and Natural Resources, Aha Moku Advisory Committee, and Center for Hawaiian Sovereignty Studies provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2357 and recommends that it pass Second Reading and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representatives Lee, Lowen, Nishimoto and Fale.

SCRep. 94-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2552

The purpose of this measure is to direct the Department of Land and Natural Resources to conduct a study of Pohoiki Bay on Hawaii Island to resolve the conflicts between commercial boat tours and fishers that use the bay.

Two individuals provided testimony in support of this measure. The Department of Land and Natural Resources and Aha Moku Advisory Committee provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the study conducted by the Department shall evaluate matters relevant to resolving the conflict among Native Hawaiians exercising gathering and subsistence rights, recreational users, and commercial tour boats and fishers that use Pohoiki Bay;
- (2) Requiring the Department to fund an enforcement officer position for the Pohoiki Bay area from royalties received from geothermal mining leases; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the Department has stated that it is considering creating a safe swimming area for persons to safely use an area of Pohoiki Bay. Your Committee respectfully requests that subsequent committees consider making sufficient funds available to the Department for the purpose of establishing the safe swimming area.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2552, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2552, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 95-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2562

The purpose of this measure is to establish a task force to locate potential, viable properties along the Waianae Coast, with a preference for a location in Nanakuli, on which to establish a Hawaiian language immersion school to educate students from kindergarten through grade twelve.

The Association of Hawaiian Civic Clubs and a few individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Education and Center for Hawaiian Sovereignty Studies provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2562 and recommends that it pass Second Reading and be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Lee, Lowen and Nishimoto.

SCRep. 96-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2565

The purpose of this measure is to establish the Coastal Memorials Task Force to evaluate, develop standards, and make recommendations regarding the practice of erecting coastal memorials.

The Mayor of Maui County and two individuals provided testimony in support of this measure. The Department of Land and Natural Resources provided testimony in opposition to this measure. The Aha Moku Advisory Committee and Legislative Reference Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Including on the Coastal Memorials Task Force the Executive Director of the Aha Moku Advisory Committee or the Executive Director's designee; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2565, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2565, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Lowen and Nishimoto.

SCRep. 97-14 Water & Land on H.B. No. 2161

The purpose of this measure is to direct the Water Resources Research Center of the University of Hawaii to:

- (1) Conduct a study on the impact of increased safety standards for dams and reservoirs adopted under Chapter 13-190.1, Hawaii Administrative Rules; and
- (2) Submit a report of its findings and recommendations to the Legislature.

Alexander & Baldwin, Inc., Hawaiian Commercial & Sugar Company, and Dole Food Co., Hawaii, testified in support of this measure. The Department of Land and Natural Resources, Hawaii Farm Bureau, and Hawaii Cattlemen's Council, Inc., provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2161, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2161, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 98-14 Water & Land on H.B. No. 2234

The purpose of this measure is to permanently extend the law providing county lifeguards protections from liability by repealing the sunset date of Act 170, Session Laws of Hawaii 2002, as amended.

The Department of the Attorney General, Department of Land and Natural Resources, Mayor of the County of Kaua'i, Mayor of the County of Maui, Mayor of the County of Hawai'i, Council Chair of the County of Maui, Kaua'i Fire Department, Department of the Corporation Counsel of the City and County of Honolulu, Ocean Safety Division of the Honolulu Emergency Services Department, Kaua'i Visitors Bureau, Kaua'i Chamber of Commerce, Hawaiian Lifeguard Association, Kauai Lifeguard Association, Poipu Beach Resort Association, and an individual testified in support of this measure. The Hawaii Association for Justice testified in opposition of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2234 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano and Lee.

SCRep. 99-14 Judiciary on H.B. No. 1635

The purpose of this measure is to:

- (1) Adjust the salary of the administrative director of the courts to be equal to the salary of the administrative director of the State; and
- (2) Adjust the salary of the deputy administrative director of the courts to be 95 percent of the salary of the administrative director of the State.

The State of Hawaii Judiciary testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord

with the intent and purpose of H.B. No. 1635 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 100-14 Judiciary on H.B. No. 748

The purpose of this measure is to amend Article VII, Section 12 of the Hawaii State Constitution to authorize the issuance of special purpose revenue bonds (SPRBs) for agricultural enterprises on any agricultural land as opposed to limiting the issuance of SPRBs to agricultural enterprises on important agricultural lands.

The Hawaii Aquaculture & Aquaponics Association; Alexander & Baldwin, Inc.; Hawaii Cattlemen's Council, Inc.; Hawaii Farm Bureau Federation; Hawaii Farmers Union United; Land Use Research Foundation of Hawaii; Local Food Coalition; and a concerned individual testified in support of the measure. The Department of Agriculture, Department of Budget and Finance, Babes Against Biotech, and a member of the public provided comments.

Your Committee heard concerns that this measure lacked detail on whether SPRBs might be issued to support genetically modified crops or projects relating to fostering food security. Your Committee notes that the statutory framework of SPRBs for agricultural enterprises is being addressed in House Bill No. 737, H.D. 1, which is pending in another committee. Your Committee believes that it is more suitable to address these concerns statutorily through a vehicle such as House Bill No. 737, H.D. 1.

Your Committee notes that this measure is intended to authorize the issuance of SPRBs to assist both for-profit and not-for-profit agricultural enterprises.

After careful consideration, your Committee has amended this measure by:

- (1) Clarifying that SPRBs may be authorized to finance facilities of or for, or to loan the proceeds of such bonds to assist, agricultural enterprises on any type of agricultural lands;
- (2) Clarifying that the State may issue SPRBs to assist agricultural enterprises;
- (3) Amending the constitutional question for clarity; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 748, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 748, H.D. 1.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 101-14 Judiciary on H.B. No. 2231

The purpose of this measure is to appropriate funds to satisfy claims against the State, its officers, or its employees for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities.

The Department of the Attorney General testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding one new claim against the State for Yoshikatsu Asano in the amount of \$1,939 to be paid from the general fund; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2231, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2231, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Lee and Wooley.

SCRep. 102-14 Energy & Environmental Protection on H.B. No. 1919

The purpose of this measure is to promote educational retreat properties, programs, and facilities that model the Hawaii 2050 Sustainability Plan created by the Hawaii 2050 Task Force pursuant to Act 8, Special Session Laws of Hawaii 2005.

The Department of Agriculture commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to September 2, 2838, to encourage further discussion; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1919, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1919, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 103-14 Energy & Environmental Protection on H.B. No. 2620

The purpose of this measure is to provide funds for staffing and resources for the University of Hawaii Sea Grant College Program to update the 1996 report titled "Hawaii's Readiness to Prevent and Respond to Oil Spills."

The Department of Health testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount; and
- (2) Changing the effective date to March 24, 2989, to encourage further discussion.

Your Committee respectfully requests that your Committee on Finance consider appropriating \$234,000 for this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2620, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2620, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 104-14 Health on H.B. No. 2053

The purpose of this measure is to address falls and fall-related injuries by elderly persons in the State by:

- (1) Establishing a Fall Prevention and Early Detection Coordinator position within the Department of Health Emergency Medical Services and Injury Prevention System Branch to coordinate the provision of public and private fall prevention and early detection services; and
- (2) Appropriating \$78,555 out of the Trauma System Special Fund to establish and fill this position.

The ILWU Local 142 and several individuals testified in support of this measure. The Executive Office on Aging and the Department of Health commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting the specified amount reflected in the appropriation;
- (2) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$78,555 for Fiscal Year 2014-2015 out of the Trauma System Special Fund to establish and fill the full-time Fall Prevention and Early Detection Coordinator position.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2053, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2053, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 105-14 Health on H.B. No. 1722

The purpose of this measure is to address the emergency medical response needs of the community on the Island of Hawaii by appropriating funds to establish two special emergency medical response vehicle units to be based in the Puna and Makalei areas, including the acquisition of vehicles, equipment, and personnel costs for state-certified emergency medical service personnel.

The Hawaii Fire Department of the County of Hawaii, American Medical Response, and two individuals supported this measure. The Department of Health commented on this measure.

Your Committee has amended this bill by:

- (1) Changing the reference to "special emergency medical response vehicle units", to "advanced life support ambulances";
- (2) Specifying that the two ambulances are to be used during daily peak hours from 8:00 a.m. to 10:00 p.m.;
- (3) Changing its effective date to January 1, 2015; and
- (4) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1722, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1722, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 106-14 Health on H.B. No. 2039

The purpose of this measure is to continue breast and cervical cancer screening, education, treatment, and outreach services through the Comprehensive Breast and Cervical Cancer Control Program by appropriating funds for this program.

The American Cancer Society Cancer Action Network, The Queen's Health Systems, Kapi'olani Medical Center for Women & Children, Planned Parenthood of Hawaii, Citizens for Equal Rights, Hawaii Women's Coalition, and two individuals supported this measure. The Department of Health submitted comments.

Your Committee has amended this bill by:

- (1) Deleting the amount of the appropriation;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

Should this measure be deliberated by the Committee on Finance, your Committee requests that it consider the appropriation amount of \$100,000 for Fiscal Year 2014-2015 for the Comprehensive Breast and Cervical Cancer Control Program.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2039, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2039, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 107-14 Health/Human Services on H.B. No. 2292

The purpose of this measure is to provide emergency funding to the Department of Human Services to address the funding shortfall in its Medicaid Program resulting from the delay in reimbursement from the Hawaii Health Connector for services and moneys provided by the Department of Human Services to the Hawaii Health Connector.

Citing a critical fiscal emergency, this bill appropriates \$6,020,727 in general funds for Fiscal Year 2013-2014 for General Support for Health Care Payments (HMS 902) to address the funding shortfall to ensure that the Department of Human Services is able to fund its core operations and continue to serve its beneficiaries.

The Department of Human Services testified in support of this measure. The Hawaii Health Connector commented on this measure.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 185 to the Legislature, requested immediate consideration and passage of this bill by the Legislature.

Your Committees have amended this bill by:

- (1) Deleting the specified amounts in the appropriations;
- (2) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committees respectfully request its consideration of the appropriation amount of \$6,020,727 for Fiscal Year 2013-2014 for General Support for Health Care Payments (HMS 902).

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2292, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2292, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 108-14 Labor & Public Employment on H.B. No. 2266

The purpose of this measure to provide a general fund appropriation for employment costs for University of Hawaii Collective Bargaining Unit (7) and its excluded counterparts.

The Department of Budget and Finance; University of Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; University of Hawaii Professional Assembly, Bargaining Unit 7; Hawaii State AFL-CIO; and an individual provided testimony in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2266, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2266, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 109-14 Labor & Public Employment on H.B. No. 2400

The purpose of this measure is to include organ donation as a compensable disability and provide temporary disability benefits to organ donors.

The Department of Labor and Industrial Relations, Department of Human Resources Development, The Queen's Health Systems, National Kidney Foundation of Hawaii, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2400 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 110-14 Labor & Public Employment on H.B. No. 2413

The purpose of this measure is to amend the Hawaii prevailing wage law regarding public construction work projects to include public-private partnerships in the definition of a governmental contracting agency.

The International Brotherhood of Electrical Workers, Local Union 1186, and The Pacific Resource Partnership provided testimony in support of this measure. Associated Builders and Contractors, Inc., Hawaii Chapter, provided testimony in opposition to this measure. The Department of Labor and Industrial Relations provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2413 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 111-14 Labor & Public Employment on H.B. No. 2496

The purpose of this measure is to require the Governor to select the member representing labor on the Hawaii Labor Relations Board from a list of three nominees submitted by labor organizations.

The University of Hawaii Professional Assembly; Hawaii State Teachers Association; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; and Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO provided testimony in support of this measure. The Department of the Attorney General, The Chamber of Commerce of Hawaii, and an individual provided testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2496 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 112-14 Labor & Public Employment on H.B. No. 2265

The purpose of this measure is to extend the current sunset of the Hawaii Employer-Union Health Benefits Trust Fund Task Force (Task Force) and the lapse date of the appropriation to the Task Force to June 30, 2015.

The Department of Budget and Finance, Hawaii Employer-Union Health Benefits Trust Fund, and the Council Chair of the County Council of Maui provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2265 and recommends that it pass Second Reading and be referred to the Committee on

Finance.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 113-14 Labor & Public Employment on H.B. No. 2579

The purpose of this measure is to provide that compromises for workers' compensation claims reached as a result of a third-party liability claim or action do not require the approval of the Director of Labor and Industrial Relations.

The Department of Labor and Industrial Relations provided testimony in support of this measure. The Department of Human Resources Development provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2579 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 114-14 Labor & Public Employment on H.B. No. 2263

The purpose of this measure is to improve the funded status of the Employees' Retirement System of the State of Hawaii and reduce public employer contributions by changing the formula used to credit unused sick leave toward retirement benefits for public employees who become members of the Employees' Retirement System after June 30, 2014.

The Employees' Retirement System provided testimony in support of this measure. The United Public Workers, AFSCME, Local 646, AFL-CIO (UPW); Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and Fire Fighters Association, Local 1463, IAFF, AFL-CIO provided testimony in opposition to this measure. The Department of Budget and Finance provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2263, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2263, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 115-14 Labor & Public Employment on H.B. No. 2264

The purpose of this measure is to allow the Board of Trustees of the Employees' Retirement System of the State of Hawaii (ERS) to better manage the ERS real estate portfolio by repealing the limitation on the holding periods for real estate acquired by ERS by foreclosure, by enforcement of security, or in satisfaction of debts so that real estate may be held and disposed of like any other investment interest in real property.

The Department of Budget and Finance and ERS provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2264 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 116-14 Consumer Protection & Commerce on H.B. No. 1260

The purpose of this measure is to expand the types of agricultural commodities exempt from the general excise tax on amounts received for loading, transporting, and unloading by amending the definition of "agricultural commodity" to include beef, beef carcasses, goat meat, goat carcasses, lamb meat, lamb carcasses, sheep meat, sheep carcasses, milk, eggs, poultry meat, and poultry carcasses, and aquaculture and aquaponic products to be consumed in the State, whether imported or processed in the State.

Hawaii Cattlemen's Council, 4 Ag Hawaii, Ulupono Initiative, Hawaii Agriculture Research Center, Hawaii Farm Bureau Federation, Hamakua County Farm Bureau, Hawaii Food Industry Association, Young Brothers, Limited and several individuals testified in support of this measure. The Department of Taxation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding cattle, goats, lambs, sheep, hogs, pork, pork carcasses, chickens and milk products to the definition of "agricultural commodity";
- (2) Clarifying the definition of "agricultural commodity" to include products of aquaculture and aquaponics to be consumed in the State, whether processed in the State or imported; and

- (3) Changing the effective date to July 1, 2014.

Your Committee respectfully notes that the agricultural commodities exemption applies to intrastate shipping of agricultural commodities.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1260, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1260, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Thielen.

SCRep. 117-14 Consumer Protection & Commerce on H.B. No. 1998

The purpose of this measure is to require the Director of Commerce and Consumer Affairs, upon granting an application to receive or renew a cable franchise, to order the applicant to provide equipment and maintenance sufficient to ensure that cable subscribers in the franchise area may receive public, educational, and governmental access channel signals equivalent in quality to local full-power broadcast signals carried on the cable system.

Thirty-three individuals submitted testimony in support of this measure. Oceanic Time Warner Cable submitted testimony in opposition to this measure. The Department of Commerce and Consumer Affairs, 'Olelo Community Media, and two individuals submitted written comments.

Your Committee received testimony that 47 U.S.C. §544 precludes the State from requiring a cable franchise to broadcast a public, educational, and governmental access channel using specific transmission or communication technology, such as high definition. However, your Committee finds that 47 U.S.C. §531(c) provides an exception for public, educational, and governmental access channels, stating:

A franchising authority may enforce any requirement in any franchise regarding the providing or use of such channel capacity. Such enforcement authority includes the authority to enforce any provisions of the franchise for services, facilities, or equipment proposed by the cable operator which relate to public, educational, or governmental use of channel capacity . . .

Accordingly, your Committee finds that this measure would help ensure that cable television subscribers and viewers receive high-quality broadcast signals for public, educational, and governmental access channel programing.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2112, to facilitate further discussion on the measure; and
- (2) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1998, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1998, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Thielen.

SCRep. 118-14 Consumer Protection & Commerce on H.B. No. 2047

Prohibits governmental procurement contracts for the services of contractors, engineers, architects, surveyors, or landscape architects, from requiring the contracting entity to defend the governmental body against liability, except for claims arising out of or resulting from the negligent, reckless, or wrongful acts, errors, or omissions of the contracting entity.

The American Council of Engineering Companies of Hawaii; American Institute of Architects; Shigemura, Lau, Sakanashi, Higuchi and Associates, Inc.; Fukunaga & Associates, Inc.; The Limtiaco Consulting Group; Kennedy/Jenks Consultants; Pacific Geotechnical Engineers, Inc.; General Contractors Association of Hawaii; Brown and Caldwell; Building Industry Association of Hawaii; Gray, Hong, Nojima & Associates, Inc.; and Sam O. Hirata, Inc. testified in support of this measure.

Your Committee has amended this measure by changing the effective date to July, 1, 2112, to encourage further discussion.

Your Committee respectfully notes that the duty to defend clause contained in government contracts for the design and construction of public works has a direct impact on local contractors. The clause can increase the costs of projects because of a lack of competition for public works contracts. Your Committee further notes that the amendments made to the measure do not bar claims arising out of or resulting from the negligent, reckless, or wrongful acts, errors, or omissions of the contracting entity.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2047, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2047, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Thielen.

SCRep. 119-14 Education on H.B. No. 2257

The purpose of this measure is to provide the Board of Education with more flexibility to establish the salary of the Superintendent of Education to attract and retain exemplary individuals to support a strong statewide public education system by increasing the salary cap on the Superintendent's position

from \$150,000 to \$250,000 a year.

The Board of Education and Kaneohe Ranch supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2257 and recommends that it pass Second Reading and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Aquino, Say and Takai.

SCRep. 120-14 Education on H.B. No. 1925

The purpose of this measure is to help provide a more accurate measure of student health and well-being in Hawaii by requiring the administration of the Youth Risk Behavior Survey in odd-numbered years to students in grades six to twelve at each public school, public charter school, and private school in the State.

The Special Education Advisory Council, Planned Parenthood of Hawaii, Hawaii Youth Services Network, the seventeen Community Children's Councils, Hui for Excellence in Education, and Parents for Public Schools supported this measure. The Department of Education, Department of Health, and Hawaii Public Charter Schools Network provided comments.

Your Committee has amended this measure by:

- (1) Requiring that the Youth Risk Behavior Survey be administered only at select public schools, rather than each public school;
- (2) Clarifying that a student is not required to participate in the Youth Risk Behavior Survey only upon written notification to the school that the student's parent or legal guardian does not give permission for that student to participate;
- (3) Inserting a blank appropriation for the Department of Education for the administration of the Survey;
- (4) Changing the effective date to July 1, 2014, as a technical, nonsubstantive amendment for consistency; and
- (5) Making additional technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1925, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1925, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Say and Takai.

SCRep. 121-14 Human Services/Health on H.B. No. 1842

The purpose of this measure is to better assist individuals facing or experiencing homelessness by:

- (1) Funding various homeless and housing programs;
- (2) Mandating the establishment of the Voluntary Homeless Assistance Pilot Program; and
- (3) Transferring responsibility for the Homeless Assistance Working Group from the Department of Human Services to the Legislature.

The Hawaii Primary Care Association, PHOCUSED, Catholic Charities Hawaii, Hawaii Substance Abuse Coalition, Helping Hands Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Partners in Care, Community Alliance for Mental Health, and a concerned individual supported this measure. The Department of Health and Department of Human Services offered comments on this measure.

Your Committees have amended this measure by changing its effective date to July 1, 2050, to promote further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committees respectfully request that the Committee on Finance consider the following appropriation amounts in its deliberations:

- (1) \$300,000 for fiscal year 2014-2015 for substance abuse treatment and mental health support services for individuals who are homeless or at risk of becoming homeless (Section 2);
- (2) \$200,000 for fiscal year 2014-2015 for clean and sober housing support services (Section 3);
- (3) \$1,000,000 for fiscal year 2014-2015 for the rental assistance program for homeless working individuals and their families (Section 4);
- (4) \$750,000 for fiscal year 2014-2015 from the Housing First Special Fund to further support the continued administration of the Housing First Program in assisting chronically homeless individuals (Section 6 and 7);
- (5) \$150,000 for fiscal year 2014-2015 to support the Homelessness Prevention and Rapid Re-housing Program (Section 9);

- (6) \$500,000 for fiscal year 2014-2015 to provide matching funds for the Shelter Plus Care Program (Section 11); and
- (7) \$100,000 for fiscal year 2014-2015 for the construction and demonstration of innovative temporary housing solutions (Section 16).

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1842, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1842, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 122-14 Human Services/Health on H.B. No. 1934

The purpose of this measure is to better assist individuals at risk of or experiencing homelessness by funding various homeless, housing, and supportive services programs and by transferring responsibility for the Homeless Assistance Working Group from the Department of Human Services to the Legislature.

A council member representing District IV of the Honolulu City Council, Catholic Charities Hawaii, PHOCUSED, Hawaii Substance Abuse Coalition, Helping Hands Hawaii, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Primary Care Association, Partners in Care, Community Alliance for Mental Health, and Witt Counseling Service supported this bill. The Department of Human Services and Department of Health provided comments.

Your Committees have amended this measure by:

- (1) Inserting blank appropriation amounts to facilitate discussion; and
- (2) Changing its effective date to July 1, 2050, to further facilitate discussion.

Your Committees respectfully request the House Committee on Finance to consider the following appropriation amounts in its deliberations on this measure:

- (1) \$300,000 for fiscal year 2014-2015 for substance abuse treatment and mental health support services for individuals who are homeless or at risk of becoming homeless (Section 2);
- (2) \$200,000 for fiscal year 2014-2015 for clean and sober housing support services (Section 3);
- (3) \$1,000,000 for fiscal year 2014-2015 for the shallow subsidy rental assistance program for homeless working individuals and their families (Section 4);
- (4) \$750,000 for fiscal year 2014-2015 to be deposited to the credit of the Housing First Special Fund for the continued administration of Housing First Programs for chronically homeless individuals (Section 6);
- (5) \$750,000 for fiscal year 2014-2015 to be appropriated out of the Housing First Special Fund for the continued administration of the Housing First Program in assisting chronically homeless individuals (Section 7);
- (6) \$150,000 for fiscal year 2014-2015 to support the Homelessness Prevention and Rapid Re-housing Program (Section 9);
- (7) \$500,000 for fiscal year 2014-2015 to provide matching funds for the Continuum of Care Permanent Supportive Housing Programs (Section 11); and
- (8) \$100,000 for fiscal year 2014-2015 for the construction and demonstration of innovative temporary housing solutions (Section 13).

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1934, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1934, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 123-14 Human Services/Health on H.B. No. 1752

The purpose of this measure is to:

- (1) Provide quality medical, dental, and behavioral healthcare to uninsured and underinsured patients and restore adult dental care to Medicaid enrollees;
- (2) Make outreach, eligibility, and behavioral services available at community health centers; and
- (3) Establish health care homes for Medicaid enrollees.

The Office of the Governor, State Council on Developmental Disabilities, Waianae Coast Comprehensive Health Center, Malama I Ke Ola Health Center, Waikiki Health Center, Ho'ola Lahui Hawaii, Waimanalo Health Center, Kōkua Kalihi Valley Comprehensive Family Services, Community Alliance for Mental Health, Wahiawa Center for Community Health, West Hawaii Community Health Center, and a large number of concerned individuals

supported this bill. The Department of Human Services, Department of Health, and Hawaii Primary Care Association provided comments on this bill.

Your Committees have amended this measure by:

- (1) Inserting blank appropriation amounts to facilitate further discussion;
- (2) Changing its effective date to July 1, 2050, to facilitate additional discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees respectfully request the House Committee on Finance to consider the following appropriation amounts in its deliberations:

- (1) \$6,000,000 for fiscal year 2014-2015 for the provision of direct health care for the uninsured and underinsured, which may include primary medical, dental, and behavioral health care;
- (2) \$4,800,000 for fiscal year 2014-2015 to restore basic adult dental benefits to Medicaid enrollees;
- (3) \$800,000 for fiscal year 2014-2015 to provide outreach and eligibility services, including Medicaid and children's health insurance programs availability, at Federally Qualified Health Centers;
- (4) \$2,000,000 for fiscal year 2014-2015 to be appropriated out of the general revenues to establish health care homes in Medicaid as provided in the Patient Protection and Affordable Care Act; and
- (5) \$2,000,000 for fiscal year 2014-2015 to be appropriated out of the Community Health Centers Special Fund to establish health care homes in Medicaid as provided in the Patient Protection and Affordable Care Act.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1752, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1752, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 124-14 Human Services on H.B. No. 2034

The purpose of this measure is to remove the statute of limitations for criminal and civil actions arising from sexual assault in the first and second degrees or continuous sexual assault of a minor under the age of fourteen years.

The Hawaii State Commission on the Status of Women, Sex Abuse Treatment Center, Hawaii State Democratic Women's Caucus, Hawaii Women's Coalition, and numerous concerned citizens supported the bill. The Department of the Attorney General, IMUAlliance, and a concerned individual commented on the bill.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

Your Committee respectfully requests that should your Committee on Judiciary choose to consider this measure, the Chair of Human Services be given the opportunity to assist with working out concerns brought up regarding the language of the measure as it moves forward.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2034, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2034, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 125-14 Human Services on H.B. No. 1787

The purpose of this measure is to statutorily require adult children receiving child support based on full-time educational enrollment to submit regular proof of enrollment in order to continue receiving benefits.

Two concerned individuals supported the bill. The Department of the Attorney General and a concerned individual opposed the bill. The University of Hawaii System commented on the bill.

Your Committee has amended this bill by changing its effective date to July 1, 2050, to facilitate discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committee respectfully requests that should your Committee on Judiciary choose to consider this measure, the Chair of Human Services be given the opportunity to assist with working out the legal concerns brought up by the Department of the Attorney General.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1787, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1787, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 126-14 Human Services on H.B. No. 1754

The purpose of this measure is to improve employment opportunities for individuals with disabilities by establishing the Medicaid Buy-in Program for Individuals with Disabilities Program and making appropriations to implement the Program.

The Department of Health, Community Alliance for Mental Health, and several concerned individuals supported this bill. The Department of Human Services, State Council on Developmental Disabilities, and a concerned individual commented on this bill.

Your Committee has amended this measure by:

- (1) Incorporating the following language changes suggested by the joint legislative Task Force established by Act 200, Session Laws of Hawaii 2012, to study the feasibility of implementing a Medicaid buy-in program:
 - (A) Removing the Medquest eligibility requirement and supporting the employment of disabled workers by expanding their access to Medicaid;
 - (B) Adding Medicaid citizenship, earnings reporting, and asset limitation of not less than \$25,000 to the eligibility requirements;
 - (C) Authorizing the Department of Human Services to limit enrollment in the Program to not less than 200 individuals;
 - (D) Making the Department of Human Services responsible for determining if a person participating in the Program must pay a premium or other cost-sharing charges;
 - (E) Requiring the Department of Human Services to report to the Legislature prior to the 2016 legislative session, instead of the 2015 legislative session, and removing the requirement that the University of Hawaii Center on Disability Studies assist with this report;
 - (F) Deleting the appropriation to establish the Program; and
 - (G) Changing the appropriation to make the University of Hawaii Center on Disability Studies, instead of the Department of Human Services, responsible for preparing and conducting outreach and training programs relating to the Program; and
- (2) Making technical, nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1754, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1754, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 127-14 Human Services on H.B. No. 1588

The purpose of this measure is to specify that the \$850,000 maximum is a per contract, not aggregate, limit in the exemption from civil service laws for personal service contracts for building, custodial, and grounds maintenance programs with qualified community rehabilitation programs.

The Mayor of the County of Maui, Ka Lima O Maui, Maui CPR & First Aid, and numerous concerned individuals supported this bill. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposed this bill.

Your Committee has amended this measure by deleting building contracts from the civil service exemption.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1588, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1588, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Jordan, Woodson and Fukumoto.

SCRep. 128-14 Human Services on H.B. No. 1718

The purpose of this measure is to require long-term care insurance policies or certificates to include coverage for adult residential care homes, expanded adult residential care homes, and community care foster family homes.

The American Council of Life Insurers opposed this bill. The Department of Commerce and Consumer Affairs and State Farm Mutual Automobile Insurance Company commented.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion as this measure proceeds to the Committee on Consumer Protection & Commerce for consideration.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1718, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1718, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 129-14 Human Services on H.B. No. 1799

The purpose of this measure is to allow the family court to change the name of a minor child if:

- (1) Either parent has been convicted of child sexual abuse, as defined in Section 588-2, Hawaii Revised Statutes, on the child; or
- (2) The court determines that it is in the best interest of the child to order a change of name, notwithstanding the absence of a conviction.

The Sex Abuse Treatment Center and a concerned individual supported this bill. A concerned individual opposed this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1799, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1799, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 130-14 Human Services on H.B. No. 1693

The purpose of this measure is to require the State to pay a set interest rate on late payments to an operator of an adult day care facility, community care foster family home, or adult residential care home.

The United Group of Home Operators and a large number of concerned individuals supported this bill. The Department of Human Services opposed this bill.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

Your Committee respectfully requests that should your Committee on Finance choose to consider this measure, the Department of Human Services be queried as to how much the Department has actually paid out in penalties at the current interest rate of 5.25 percent.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1693, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1693, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 131-14 Human Services on H.B. No. 1576

The purpose of this measure is to address the insufficiency of the current monthly payment for foster care services for children by increasing the monthly board rate and appropriating funds for this purpose.

The Department of Human Services, Hawaii Youth Services Network, Catholic Charities Hawai'i, Family Programs Hawai'i, Witt Counseling Service, and several concerned individuals supported this bill.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

Your Committee would like to acknowledge that the Department of Human Services has completed a review of current payment rates for foster care services and has provided a copy of a 2013 report on their findings and recommendations. Your Committee respectfully requests that these figures be considered should your Committee on Finance choose to consider this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1576, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1576, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 132-14 Human Services on H.B. No. 1695

The purpose of this measure is to:

- (1) Change the public assistance allowance to equal an unspecified percentage of the current poverty level established by the federal government; and
- (2) Amend the state supplemental payment for adult residential care homes, expanded adult residential care homes, licensed developmental disabilities domiciliary homes, community care foster family homes, and certified adult foster homes.

The United Group of Home Operators and several concerned individuals supported this bill. The Department of Human Services and Arc in Hawaii provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

Your Committee respectfully requests that should your Committee on Finance choose to consider this measure, the Committee make a recommendation as to what percentage the public assistance allowance should be increased, and also provide an approximate cost for this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1695, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1695, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Creagan and Woodson.

SCRep. 133-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2286

The purpose of this measure is to make permanent the requirement that the counties issue affordable housing credits for each residential unit developed by the Department of Hawaiian Home Lands.

The Department of Hawaiian Home Lands, Aupuni O Hawaii, and an individual provided testimony in support of this measure. The Department of Planning and Permitting of the City and County of Honolulu and Kauai County Housing Agency provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Allowing the requirement for county issuance of affordable housing credits for units developed on Hawaiian homelands to continue for five more years with a sunset date of June 30, 2019, instead of making the provisions permanent; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2286, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2286, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee except Representatives Lee, Lowen and Nishimoto.

SCRep. 134-14 Economic Development & Business on H.B. No. 2127

The purpose of this measure is to assist the State with addressing economic challenges faced when developing infrastructure to meet growing demands for public service by establishing the Public-Private Finance Initiative. The initiative would identify suitable infrastructure projects, carry out appropriate analyses, enter into public-private agreements, and provide leadership for the facilitation of financing, improvement, or enhancement of appropriate facilities, operations, and property.

In addition, this bill:

- (1) Requires the Initiative to initiate a pilot project on specific State lands in Wahiawa (Pilot Project);
- (2) Requires the Initiative to submit a report on the status of the Pilot Project;
- (3) Prohibits the Initiative from planning or implementing any other projects other than the Pilot Project in Wahiawa; and
- (4) Appropriates \$500,000 for the establishment and operations of the Initiative, including the hiring of staff.

The Department of Business, Economic Development, and Tourism, and Department of Accounting and General Services testified in support of this measure. Hawaii's Thousand Friends and several concerned individuals testified in opposition to this measure.

An increasing need for public services, due in part to an increasing population, has put pressure on revenue resources for all levels of government. This was evident during the recent economic downturn faced by Hawaii and the rest of the nation. As a result, the State faces the challenge of balancing its budget while addressing escalating infrastructure and service needs. Creating a partnership agency to collaborate with all state agencies and private sector entities may help deliver these services and facilities more effectively, efficiently, and in a manner that is cost beneficial to the State. As such, this initiative deserves further consideration.

Your Committee has amended this measure by:

- (1) Changing the \$500,000 appropriation for the establishment and operations of the Initiative to an unspecified sum;
- (2) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee on Economic Development & Business respectfully requests that it consider appropriating \$500,000 for fiscal year 2014-2015 for the establishment and operations of the Initiative, including the hiring of staff.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2127, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2127, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Awana.

SCRep. 135-14 Economic Development & Business on H.B. No. 2153

The purpose of this measure is to promote economic vitality through small business ownership by establishing a cottage food law to allow home-based food production businesses to sell food items directly to consumers if certain conditions are met.

The Councilmember representing District IV of the Honolulu City Council and several concerned individuals testified in support of this measure. The Department of Health testified in opposition to this bill.

Many individuals in Hawaii enjoy creating delicious, local foods and snacks in their home kitchens to share with family, friends, and neighbors. Some individuals have turned this creative hobby into an economic opportunity and livelihood. However, there is confusion regarding the regulation of home-based food production businesses and the health requirements that must be met to establish and maintain such a business. This measure attempts to clarify this issue.

While your Committee understands the Department of Health's position regarding the necessity of this measure, your Committee finds that this measure warrants further discussion.

Your Committee has amended this bill by changing its effective date to January 20, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2153, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2153, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representative Awana.

SCRep. 136-14 Economic Development & Business on H.B. No. 2217

The purpose of this measure is to create a highly skilled labor force to meet the increased workforce needs of industries and occupations having potential for high job growth by:

- (1) Allowing the Department of Labor and Industrial Relations to establish work groups to assist in identifying workforce trends, determining skill sets required for jobs being created or modified, and developing training to prepare qualified workers; and
- (2) Appropriating an unspecified amount of funds therefor.

The Department of Labor and Industrial Relations and Hawaii Primary Care Association testified in support of this measure. A concerned individual testified in opposition to this bill.

The development and rise of new economic industries in Hawaii have created the need for the development of a labor force with various, and often increasingly specialized, skill sets. Having a qualified workforce with the needed skill sets would support the establishment and growth of new industries and enable businesses to use local workers. The establishment of work groups to address these workforce needs and solve long-term workforce issues would have a positive impact not only on Hawaii's workforce, but on Hawaii's economy as well.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2217, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2217, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representative Awana.

SCRep. 137-14 Economic Development & Business on H.B. No. 2481

The purpose of this measure is to support economic development and technology commercialization in Hawaii by establishing the Hawaii High Impact Center for Commercialization to support Hawaii-based small businesses in the fields of dual-use technology, agriculture development, molecular manufacturing, humanitarian assistance, and disaster management and response.

Oceanit; Inovi Group; TeraSys Technologies; Greenpath Technologies, Inc.; Diagenetix, Inc.; and several concerned individuals testified in support of this measure. The University of Hawaii supported the intent of this bill. The Hawaii Strategic Development Corporation provided comments.

Significant progress has been made by Hawaii to position itself as a leader in technology development, transfer, and commercialization over the

last several years. However, more is required to move Hawaii's technology industry into a position to support more of these endeavors. Innovation in the science and technology fields will not only enable the State to succeed in the global marketplace, but will also support the State's sustainable economic development goals.

Your Committee has amended this bill by changing its effective date to January 20, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2481, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2481, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Awana.

SCRep. 138-14 Economic Development & Business on H.B. No. 2088

The purpose of this measure is to diversify and strengthen Hawaii's economy by encouraging the growth of the film and television industry in Hawaii by providing enhanced incentives through a media infrastructure project income tax credit to attract more film and television productions to Hawaii.

A concerned individual testified in support of this bill. The Department of Business, Economic Development, and Tourism, Honolulu Film Office, and a concerned individual testified in support of the intent of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Hawaii has the status of being a dynamic and stunning film production center. Hawaii is also blessed with a vibrant and growing entertainment economy. While the motion picture, television, and digital media industry has had a positive impact on the economy of Hawaii through job creation, increased tax revenues, and providing Hawaii's visitor industry with priceless marketing exposure on a global scale throughout the year, the lack of sufficient infrastructure in the State has hindered the growth of this industry. This measure seeks to provide the proper infrastructure for growth of the film industry and ensure its long-term viability in the State.

However, your Committee notes that concerns were raised regarding the timing of this measure as a feasibility study and market analysis for the creation of a creative media/film studio facility is currently being conducted. Nevertheless, your Committee feels this measure deserves further consideration.

Your Committee also finds that the State should take a proactive approach to seeking additional avenues to develop the needed infrastructure for expanding the film industry, such as public-private partnerships.

Finally, your Committee also understands the concerns raised by the Department of Taxation regarding the years to which the tax credit would be applicable. As such, your Committee respectfully requests the Committee on Finance to consider the Department's recommendations should this measure move forward in the legislative process.

Your Committee has amended this bill by changing its effective date to January 20, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2088, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2088, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Awana.

SCRep. 139-14 Agriculture on H.B. No. 491

The purpose of this measure is to reduce Hawaii's dependence on imported products, maximize available local resources, and develop sustainable technologies and infrastructure for the betterment of Hawaii by appropriating funds for a grant to the Aina Institute for Bioconversion Technology to develop a decisionmaking tool to identify optimum crops and technologies for the production of energy.

The 'Aina Institute, RealGreen Power, Kunia Village Title Holding Corporation, and four concerned individuals supported this bill. The Hawaii Renewable Energy Alliance and a concerned individual commented on this measure.

Your Committee finds that the request for competitive sealed proposals process is a more fair and transparent means of selecting a vendor for a publicly-funded project than making a grant to a pre-selected recipient.

Your Committee has amended this measure by:

- (1) Authorizing the Department of Agriculture to issue a request for competitive sealed proposals for the development of a data analysis system with specified parameters;
- (2) Specifying that the funding source for the competitive sealed proposal will be the Agricultural Development and Food Security Special Fund, with a condition that the \$750,000 be matched on a dollar-for-dollar basis by private donations; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 491, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 491, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 140-14 Agriculture on H.B. No. 2256

The purpose of this measure to provide long-term availability of financial resources to help the State achieve its 2030 clean energy and food security goals.

More specifically, this measure extends the environmental response, energy, and food security tax repeal date from June 30, 2015, to June 30, 2030, to provide financial support to the Departments of Health, Agriculture, and Business, Economic Development, and Tourism so that they can meet the 2030 clean energy and food security goals established pursuant to Act 155, Session Laws of Hawaii 2009, and Act 73, Session Laws of Hawaii 2010.

Testimony in support of this measure was submitted by the Department of Agriculture, Department of Health, Department of Business, Economic Development, and Tourism, Hawaii Natural Energy Institute at the University of Hawaii at Manoa, Hawaii Green Growth, The Nature Conservancy of Hawaii, Sierra Club of Hawaii, Blue Planet Foundation, Hawaii Farm Bureau Federation, and two individuals. Comments on the measure were submitted by the Tax Foundation of Hawaii.

Your Committee finds that, in Act 155, Session Laws of Hawaii 2009, the Legislature established clean energy goals for the State to meet by the year 2030. Your Committee also finds that, in Act 73, Session Laws of Hawaii 2010, the Legislature stated that the State's resource strategy should also promote food security and sustainability. In order to provide a source of funding, Act 73 increased the state fuel tax and required that a portion the tax revenues collected be deposited into the environmental response revolving fund, energy security special fund, energy systems development special fund, and agricultural development and food security special fund. These provisions are presently scheduled to be repealed on June 30, 2015. While this measure would extend the repeal date for an additional fifteen years, your Committee respectfully requests that subsequent Committees to which this measure is referred consider making the tax revenue stream established by Act 73, permanent.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2256 and recommends that it pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

Signed by all members of the Committee.

SCRep. 141-14 Agriculture on H.B. No. 1533

The purpose of this measure is to improve food sustainability and self-sufficiency in Hawaii by:

- (1) Requiring that all leases for specified state agricultural lands be used for the production of food, with qualifying exceptions based on the rating class of the soil and furtherance of the State's policy of promoting food production;
- (2) Establishing the agricultural-food land use district as a new major land use classification and, among other things, restricting its use to the growing of agricultural produce for human consumption and accompanying uses as agricultural parks and for agricultural tourism;
- (3) Removing the cultivation of food crops, use as agricultural parks, and agricultural tourism as permitted uses of certain land in existing agricultural districts; and
- (4) Amending the agricultural priority objectives in the Hawaii State Planning Act.

A number of concerned individuals supported this bill. The Department of Planning and Permitting of the City and County of Honolulu, Hawaii Cattlemen's Council, Hawaii Crop Improvement Association, Hawaii Agriculture Research Center, Land Use Research Foundation of Hawaii, Hawaii Farm Bureau Federation, and several concerned individuals opposed this bill. The Department of Agriculture, Office of Planning, Monsanto Co., Babes Against Biotech, and two concerned individuals commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting provisions relating to:
 - (a) Establishing a new agricultural-food land use district;
 - (b) Designating allowable uses within agricultural and agricultural-food land use districts; and
 - (c) Amending the agricultural priority objectives in the Hawaii State Planning Act;
- (2) Inserting new language that requires disbursements from the Agricultural Development and Food Security Special Fund be prioritized for the growth and development of food in the State; and
- (3) Making the bill effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1533, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1533, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 142-14 Agriculture on H.B. No. 1716

The purpose of this measure is to protect Hawaii's environment, agriculture, economy, and the health and way of life of Hawaii's people by appropriating \$5,000,000 to be expended on projects undertaken in accordance with the Hawaii Invasive Species Council, including invasive species prevention, control, outreach, research, and planning.

The Department of Agriculture, Department of Land and Natural Resources, Office of Planning, Oahu Invasive Species Committee, Maui Invasive Species Committee, The Nature Conservancy, Sierra Club of Hawaii, Hawaii Farm Bureau Federation, and two concerned individuals supported this bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1716 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 143-14 Agriculture on H.B. No. 1932

The purpose of this measure is to appropriate general funds and special funds for the Department of Agriculture's biosecurity program.

The Department of Agriculture, the Department of Land and Natural Resources, the Hawaii Crop Improvement Association, the Nature Conservancy, the Hawaii Farm Bureau Federation, the Hawaii Floriculture and Nursery Association, the Hawaii Cattlemen's Council, the Maui Invasive Species Committee, and one individual testified in support of this measure.

Your Committee finds that the unchecked spread of invasive species is one of the greatest threats to Hawaii's economy, natural environment, and the health and lifestyle of Hawaii's people. Invasive pests can cause millions of dollars in crop losses, the extinction of native species, the destruction of native forests, the spread of disease, and the quarantine of exported agricultural crops. Your Committee further finds that the Department of Agriculture's biosecurity program can help to eradicate invasive species by adopting appropriate measures to detect and quarantine pests in the State.

Your Committee has amended this measure by deleting the appropriation from the pest inspection, quarantine, and eradication fund for the Department of Agriculture's biosecurity program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1932, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1932, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 144-14 Agriculture on H.B. No. 1989

The purpose of this measure is to improve food security and self-sufficiency in the State by establishing an On-farm Mentoring Program at the University of Hawaii College of Tropical Agriculture and Human Resources that will teach a new generation of farmers about methods to improve soil health by using whole system practices. The components of the Program include, among other things:

- (1) The appointment of an on-farm mentor for each qualifying island by the Dean of the College;
- (2) The establishment of a curriculum for the Program that teaches methods to improve soil health;
- (3) The authorization to include instruction on other aspects of farming, including farm management, animal husbandry, crop management, farmer cooperatives, marketing, integrated pest management and multi-cropping, and beneficial insects;
- (4) A competitive grant process to encourage farmers or farming organizations to develop or expand on-farm mentoring; and
- (5) An appropriation of an unspecified amount to fund the grants.

The Hawaii Farmers Union United, Kona Chapter-Hawaii Farmers Union United, and a number of concerned individuals supported this bill. The Hawaii Farm Bureau Federation supported the intent of this measure. The University of Hawaii College of Tropical Agriculture and Human Resources opposed this measure. A concerned individual commented on this bill.

Your Committee finds that the On-farm Mentoring Program as structured by this bill does not coincide with the mission and organizational infrastructure of the College of Tropical Agriculture and Human Resources. Accordingly, your Committee has amended this bill by:

- (1) Substantially revising the On-farm Mentoring Program, including the deletion of the components relating to the appointment of on-farm mentors by the Dean of the College and the competitive grant process;
- (2) Requiring the College to develop and implement a pilot On-farm Training Program for mentors as a component of the College's extension faculty and cooperative extension service;
- (3) Specifying that the pilot Program train skilled farmers in extension service training activities to enhance their abilities to provide on-farm mentoring to students about methods to improve soil health by using whole system practices;
- (4) Providing that skilled farmers who participate in the pilot Program shall receive compensation pursuant to the University of Hawaii's

fiscal and personnel regulations and policies;

- (5) Clarifying the established and authorized curriculum under the pilot Program;
- (6) Requiring the College to submit a report of its findings and recommendations on the pilot Program to the Legislature; and
- (7) Changing the purpose of the appropriation to that of funding the pilot Program.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1989, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1989, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 145-14 Agriculture on H.B. No. 2180

The purpose of this measure is to support sustainable agriculture through the utilization of new technologies by appropriating \$1,000,000 to establish a pilot project to create new technologies for sustainable agriculture at the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa.

The University of Hawaii College of Tropical Agriculture and Human Resources, Hawaii Floriculture and Nursery Association, Hawaii Cattlemen's Council, and a number of concerned individuals supported this bill. The Department of Agriculture and Hawaii Farm Bureau Federation supported the intent of this measure. A concerned individual opposed the bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2180 and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 146-14 Agriculture on H.B. No. 1987

The purpose of this measure is to permit the acquisition of raw milk and raw milk products by owners of, or persons with an undivided interest in, cows, goats, and sheep, under certain conditions.

The Hawaii Farmers Union United and ten individuals provided testimony in support of this measure. The Department of Health and one individual provided testimony in opposition to this measure. The Department of Agriculture submitted comments.

Your Committee finds that raw milk provides significant benefits that are not supplied by pasteurized milk. For example, pasteurization destroys vitamins B6 and B12 and beneficial bacteria, and it damages or destroys essential proteins and enzymes. Further, lactose intolerant persons may be able to digest raw milk better and without discomfort because enzymes have not been damaged or destroyed. Accordingly, your Committee finds that, under certain circumstances, persons should have access to raw milk or raw milk products.

Your Committee is aware of certain health concerns about raw unpasteurized milk but finds that it would be more appropriate for the Committee on Health to further evaluate and address these concerns.

Your Committee has amended this measure by making technical nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1987, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1987, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee.

SCRep. 147-14 Agriculture/Tourism on H.B. No. 772

The purpose of this measure is to authorize bona fide farming operations to engage in accessory agricultural tourism uses and activities in an agricultural district, including overnight accommodations for stays of less than thirty days, without the necessity of obtaining a special permit pursuant to section 205-6, Hawaii Revised Statutes.

This measure also:

- (1) Defines the term "bona fide farming operation"; and
- (2) Authorizes each county to adopt ordinances to regulate agricultural tourism uses and activities within agricultural districts, including standards for determining what is a bona fide farming operation.

Your Committees received testimony in support of this measure from the Department of Agriculture, Office of Planning, Hawaii Tourism Authority, Hawaii Farmers Union United, Hawaii Farm Bureau Federation, and eight individuals.

Your Committees find that it is in the State's best interest to increase farm viability for legitimate farmers. This measure would help bona fide farmers to incorporate value added revenue-generating activity within their farming operations while also ensuring that agricultural lands are used for agricultural production.

Your Committees note that although this measure establishes standards and criteria to ensure the use of agricultural land for agricultural purposes, the measure does not limit the number of rooms or overnight guests that may be accommodated as part of agricultural tourism. Your Committees respectfully request that the need for these additional protections be considered by the Committee on Consumer Protection and Commerce.

As affirmed by the records of votes of the members of your Committees on Agriculture and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 772 and recommend that it pass Second Reading and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representative Takai.

SCRep. 148-14 Agriculture on H.B. No. 1514

The purpose of this measure is to appropriate moneys for the control and containment of the coffee berry borer, a small beetle that has infested crops in the Kona and South Kona regions.

The Department of Agriculture, Department of Land and Natural Resources, University of Hawaii, Hawaii Farm Bureau Federation, Hawaii Farmers Union United, Hawaii Coffee Association, Maui Grocery Service Inc., Royal Kona Coffee Visitor Center Mill and Museum, Hawaii Coffee Growers Association, Coffees of Hawaii, LLC-Molokai, Kona Coffee Council, Onouli Farm LLC, Greenwell Farms, Kona Coffee Farmers Association, Dole Waialua Coffee, Maui Coffee Association, Hawaii Floriculture and Nursery Association, Hawaii Cattlemen's Council, and numerous individuals submitted testimony in support of this measure.

Your Committee finds that coffee is the fourth-largest agricultural crop in the State, is very important to the State's economy, and that the coffee berry borer is a dangerous invasive species that poses a serious threat to Hawaii's entire coffee industry. Your Committee also finds that ongoing efforts to prevent and control coffee berry borer infestations are critical to stopping this destructive pest from spreading from Hawaii island to other islands and that the State must take immediate action to support these efforts and help protect the State's coffee industry.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1514 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 149-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 709

The purpose of this bill is to effectuate its title.

H.B. No. 709 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents. The purpose of the amended measure is to appropriate funds for the Department of Land and Natural Resources to conduct public outreach meetings to adopt rules on statewide coastal management.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the action to report out H.B. No. 709, as amended herein, and recommends that it be recommitted to the Committee on Ocean, Marine Resources, & Hawaiian Affairs, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 709, H.D. 1.

Signed by all members of the Committee except Representatives Lee, Nishimoto, Say and Fale.

SCRep. 150-14 Judiciary on H.B. No. 1420

The purpose of this measure is to address concerns that individuals without disabilities may abuse the allowances made for service animals in public accommodations by, amongst other things:

- (1) Requiring county animal control officers, or similar appropriate county agencies, to issue service dog tags to the owners or handlers of qualified service dogs;
- (2) Prohibiting any person from owning or being a handler of a dog that wears a service dog tag not issued by a county animal control officer or appropriate county animal control agency; and
- (3) Requiring any person with the right to be accompanied by a service dog to ensure the dog wears service tags and a leash, harness, or cape that identifies the dog as service dogs.

The Pacific Pet Alliance testified in support of the measure. The Department of the Attorney General, Hawaii Civil Rights Commission, and one concerned individual testified in opposition. The Department of Customer Services of the City and County of Honolulu and Hawaii Disability Rights Center provided comments.

Your Committee has amended this measure by:

- (1) Deleting proposed language that would have:
 - (A) Required county animal control officers, or similar appropriate county agencies, to issue service dog tags to the owners or handlers of qualified service dogs;
 - (B) Prohibited any person from owning or being a handler of a dog that wears a service dog tag not issued by a county animal control officer or appropriate county animal control agency; and
 - (C) Required any person with the right to be accompanied by a service dog to ensure the dog wears service tags and a leash, harness, or cape that identifies the dog as service dogs; and
- (2) Creating a violation punishable by a fine of up to \$1,000 for any person who knowingly presents an animal as a service animal that is not individually trained to do work or perform tasks for the benefit of an individual with a disability.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1420, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1420, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Lee, Nakashima, Wooley, McDermott and Thielen.

SCRep. 151-14 Judiciary on H.B. No. 1181

The purpose of this measure is to amend the offense of habitually operating a vehicle under the influence of an intoxicant to include operating a vehicle under the influence of an intoxicant after at least one conviction within the prior ten years of habitually operating a motor vehicle under the influence of an intoxicant.

The Department of Transportation, Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, Maui Police Department, Honolulu Police Department, Hawaii Police Department, and Mothers Against Drunk Driving HAWAII testified in support of this measure. The Office of the Public Defender testified in opposition.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1181, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1181, H.D. 2.

Signed by all members of the Committee except Representative Har.

SCRep. 152-14 Higher Education on H.B. No. 1491

The purpose of this measure is to ensure greater fiscal transparency by repealing the University of Hawaii's program execution exemptions, thereby requiring:

- (1) The University's budget operations plan to be subject to review and modification by the Department of Budget and Finance; and
- (2) The University to receive legislative authorization prior to any appropriation transfers or changes between programs or agencies.

A concerned individual supported this measure. The University of Hawaii and Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Adding provisions to explain the purpose of the measure;
- (2) Reinstating provisions that restrict the Department of Budget and Finance's oversight of the University of Hawaii's operations plan to a review only for consistency with specified conditions;
- (3) Changing its effective date to July 1, 2525, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1491, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1491, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 153-14 Public Safety on H.B. No. 1868

The purpose of this measure is to augment the State's disaster preparedness by authorizing the issuance of general obligation bonds to fund the retrofitting of public school buildings so they can also be used as emergency shelters.

The Department of Education supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1868 and recommends that it pass Second Reading and be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Har and McDermott.

SCRep. 154-14 Public Safety on H.B. No. 2318

The purpose of this measure is to expedite the process with respect to forensic evaluations of defendants when there is a concern about penal responsibility or fitness to proceed by requiring public agencies to share with the Judiciary, information pertaining to defendants for whom forensic examinations are ordered by a court so that information, regardless of other laws, can be given in a timely manner to forensic examiners.

The Department of Health and Department of Public Safety supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2318 and recommends that it pass Second Reading and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Har and McDermott.

SCRep. 155-14 Public Safety on H.B. No. 1570

The purpose of this measure is to protect victims of abuse and provide them sufficient time to seek help and legal protection by extending, in certain instances, the period of separation that a police officer can impose on an individual suspected of physical abuse or harm under an order to leave the premises.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, Department of the Prosecuting Attorney of the County of Maui, Honolulu Police Department, and the Maui Police Department supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1570 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and McDermott.

SCRep. 156-14 Public Safety on H.B. No. 2347

The purpose of this measure is to clarify that like their exempt counterparts, Department of Taxation criminal investigators who are classified as civil service employees have the powers and authority and benefits and privileges of a police officer or a deputy sheriff.

The Department of Taxation supported this measure. The Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2347, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2347, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Har and McDermott.

SCRep. 157-14 Housing on H.B. No. 2250

The purpose of this measure is to assist the State in attracting and retaining qualified individuals for the position of Executive Director of the Hawaii Housing Finance and Development Corporation by allowing the Hawaii Housing Finance and Development Corporation Board of Directors to set an appropriate compensation level for the Director instead of capping the salary at 85 percent of the salary of the Director of Human Resources Development.

The Hawaii Housing Finance and Development Corporation and the Department of Business, Economic Development, and Tourism supported this bill.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord

with the intent and purpose of H.B. No. 2250 and recommends that it pass Second Reading and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 158-14 Housing on H.B. No. 2251

The purpose of this measure is to allow the Hawaii Housing Finance and Development Corporation to continue to assist in the development and preservation of affordable rental housing by increasing the Hula Mae Multifamily revenue bond authority from \$750,000,000 to \$1,000,000,000.

The Hawaii Housing Finance and Development Corporation, Department of Business, Economic Development and Tourism, and the Hawai'i Association of Realtors supported this bill.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2251 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 159-14 Housing on H.B. No. 2188

The purpose of this measure is to provide the Legislature with greater flexibility in directing general fund spending by eliminating unnecessary and inactive funds and programs. Specifically, this bill:

- (1) Terminates the Waialua Loan and Subsidy Program, the Kikala-Keokea Infrastructure Development Fund, and the Kikala-Keokea Housing Revolving Fund; and
- (2) Deposits any residual moneys from these terminated funds and programs into the Rental Assistance Revolving Fund or the general fund.

The Hawaii Housing Finance and Development Corporation and Department of Land and Natural Resources supported the bill. A concerned citizen provided comments.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2188 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 160-14 Tourism on H.B. No. 1671

The purpose of this measure is to assist the counties financially so they can better support tourism and tourism-related services by removing the current dollar amount cap on transient accommodations tax revenues to be distributed to the counties and establishing the distribution of these revenues as a percentage of transient accommodations tax collected.

The Hawaii Council of Mayors, Mayor of the City and County of Honolulu, Mayor of the County of Hawaii, Mayor of the County of Maui, the chair of the Honolulu City Council, the chair and two councilmembers of the Kauai County Council, the chair and three councilmembers of the Maui County Council, Director of Finance of the County of Kauai, Outrigger Hotels Hawaii, and two concerned individuals supported this measure. The Department of Budget and Finance, Hawaii Tourism Authority, and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

Your Committee understands that much of the cost associated with tourism are carried by the counties. This includes the ever-increasing costs of providing county services to these visitors. Your Committee is also aware that the counties have faced financial challenges in providing these county services since the cap on transient accommodations tax revenues distributed to the counties was put in place in 2011.

Accordingly, your Committee respectfully requests the Committee on Finance to thoroughly examine the transient accommodations tax allocations to the counties and evaluate the impact of the current transient accommodations tax rates on the gross rental or gross rental proceeds derived from furnishing transient accommodations.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1671, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1671, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Onishi and Takai.

SCRep. 161-14 Judiciary on H.B. No. 958

The purpose of this measure is to prevent tax fraud by prohibiting the purchase, possession, installation, update, maintenance, upgrade, transfer, use, or creation of automated sales suppression devices, zappers, or phantom-ware, which are utilized by individuals or businesses to underreport the amount of taxable revenue on sales.

The Department of Taxation testified in support of this measure.

Your Committee notes that it has amended the effective date of this measure to January 1, 2014, which will grant retroactive effect to the provisions of this bill. Your Committee has concerns that giving retroactive effect to a measure establishing criminal sanctions may raise constitutional concerns, including due process issues. Accordingly, your Committee respectfully requests that the Committee on Finance consider the implications of such an effective date and whether it should be further amended to apply prospectively.

Your Committee has amended this measure by:

- (1) Making the state of mind requirement consistent throughout the measure by removing the term "wilfully";
- (2) Changing the grade of offense for the use, purchase, sale, installation, update, maintenance, upgrade, transfer, possession, or creation of an automated sales suppression device, zipper, or phantom-ware from a class B to a class C felony and adjusting the fine and imprisonment terms to a maximum of \$100,000 and five years, respectively;
- (3) Changing the effective date to January 1, 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 958, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 958, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 162-14 Transportation on H.B. No. 2426

The purpose of this measure is to protect Hawaii's fragile, natural environment by appropriating funds for the planning, design, and construction of biosecurity facilities at harbors and airports throughout the State to prevent the introduction of new invasive species to Hawaii.

The Department of Transportation, Oahu Invasive Species Committee, Hawaii Farm Bureau Federation, Maui County Farm Bureau, and an individual testified in support of this measure. Able Freight Services, Inc., commented on this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2426 and recommends that it pass Second Reading and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 163-14 Transportation on H.B. No. 1728

The purpose of this measure is to:

- (1) Enable government agencies to maintain roads whose ownership and jurisdiction are in dispute between the State and the counties; and
- (2) Establish necessary funding for the maintenance and repair of these roads through the authorization of an additional county surcharge on state tax.

The Department of Transportation testified in support of the intent of this measure. The Hawaii Association of Realtors testified in opposition to this measure. The Department of Taxation and Department of Land and Natural Resources commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the provisions that establish the funding mechanism for road maintenance through the authorization of an additional county surcharge on state tax;
- (2) Changing the effective date to July 1, 2014, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1728, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1728, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 164-14 Consumer Protection & Commerce on H.B. No. 2004

The purpose of this measure is to permanently allow the Director of Commerce and Consumer Affairs to designate an access organization to oversee public, educational, and governmental channels.

Akaku: Maui Community Television, Valley Isle Sunset Rotary, and numerous individuals testified in support of this measure. The Department of Commerce and Consumer Affairs testified in support with amendments. Olelo Community Media and an individual provided comments on the measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Department of Commerce and Consumer Affairs conduct annual financial audits of the access organization because the access organization is already required to submit an annual financial audit; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that an access organization is already required to file an annual independently audited financial statement with the Department of Commerce and Consumer Affairs. Therefore, to require the Department of Commerce and Consumer Affairs to conduct an annual financial audit of an access organization is duplicative and serves no pertinent government interest. However, your Committee believes that keeping the management audit intact is important for transparency and oversight.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2004, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2004, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Thielen.

SCRep. 165-14 Health on H.B. No. 2037

The purpose of this measure is to continue and expand the array of services offered to at-risk youth and their families by Project Kealahou by appropriating funds to preserve this project.

The Hawaii State Commission on the Status of Women, YWCA of O'ahu, Hawaii Youth Services Network, and two individuals supported this measure. The Department of Health commented on this measure.

Project Kealahou is a federally-funded program currently operating under a six-year grant housed within the Department of Health Child and Adolescent Mental Health Division. Project Kealahou promotes community-based, family-driven, and evidence-based services. Project Kealahou also emphasizes gender-responsive and trauma-informed care when serving its target population of adolescent females ages 11 to 21 who have experienced trauma in their lives. Your Committee notes that the federal funding that currently supports Project Kealahou will be phased out beginning in October 2014 and will expire completely after that time.

Your Committee has amended this bill by:

- (1) Deleting the specified amount reflected in the appropriation;
- (2) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should this measure be further deliberated in the legislative process, your Committee respectfully requests the Committee on Finance to consider appropriating \$50,000 for Fiscal Year 2014-2015 for the continued funding of Project Kealahou.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2037, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2037, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 166-14 Ocean, Marine Resources, & Hawaiian Affairs/Health on H.B. No. 1616

The purpose of this measure is to improve health outcomes for the people of Hawaii by updating the Hawaii State Planning Act's objectives for health to include a commitment to eliminating health disparities. Specifically, this bill updates the objectives to:

- (1) Explicitly address social determinants of health to reflect the latest medical findings relating to the health needs of Native Hawaiians, other Pacific Islanders, and Filipinos; and
- (2) Prioritize programs, services, interventions, and activities that address identified social determinants of health to reduce health disparities experienced by these groups.

The Office of Hawaiian Affairs, Office of Language Access, Office of Community Services, Community Alliance for Mental Health, United Self Help, Hawaii Primary Care Association, Kokua Kalihi Valley, Waimanalo Health Center, Hoola Lahui Hawaii, The Queen's Health Systems, HealthyPacific.Org, and several individuals provided testimony in support of this measure.

Your Committees respectfully request that subsequent committees consider inserting a funding mechanism to enable the implementation of this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Health that are

attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1616 and recommend that it pass Second Reading and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Carroll, Jordan, Lee, Nishimoto, Oshiro, Say and Fale.

SCRep. 167-14 Agriculture on H.B. No. 1535

The purpose of this measure is to encourage agricultural sustainability by establishing and funding the Hawaii Youth Agricultural Corps Program to provide opportunities for youth to gain hands-on agricultural education and workforce development.

The Hawaii School Garden Network and three concerned individuals supported this bill. The Hawaii Farm Bureau Federation supported the intent of this measure. The Department of Agriculture commented on this bill.

Your Committee has amended this measure by:

- (1) Requiring the Department of Agriculture to issue a request for proposals from qualifying non-profit organizations to establish, develop, and implement the Hawaii Youth Agricultural Corps Program; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1535, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1535, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee.

SCRep. 168-14 Tourism on H.B. No. 1900

The purpose of this measure is to ensure equity in the application of taxes imposed on transient accommodations by providing for the taxation of destination clubs. Among other things, this measure:

- (1) Establishes a tax on annual destination club dues apportioned to the State; and
- (2) Requires destination club membership plan managers to manage the destination club membership plan, pay the imposed tax, register with the Department of Taxation, and keep records of annual destination club dues apportioned to the State.

Exclusive Resorts supported this measure. The Department of Taxation and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee notes that the Department of Taxation had serious concerns that this measure creates a new and separate tax treatment for a specific business model and has the potential to significantly erode the State's Transient Accommodations Tax base. Nevertheless, your Committee finds that this measure warrants further discussion as it moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1900 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Onishi and Takai.

SCRep. 169-14 Consumer Protection & Commerce on H.B. No. 2045

The purpose of this measure is to provide a remedy for planned community associations to recover unpaid assessments for common expenses up to the time of a grant or conveyance of property.

The Hawaii Chapter of the Community Associations Institute and two individuals testified in support of this measure.

Your Committee finds that this measure will clarify the responsibilities of owners, grantors, and grantees with regard to unpaid assessments for common expenses when conveying property in planned community associations.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2045, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2045, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Ito, Lee, Nakashima and Tsuji.

SCRep. 170-14 Housing on H.B. No. 2401

The purpose of this measure is to encourage more transparency in the actions of condominium association boards of directors by:

- (1) Requiring board members and managing agents to disclose conflicts of interest that they may have with bidders of certain contracts;
- (2) Increasing the enforcement powers of the Real Estate Commission; and
- (3) Requiring the Real Estate Commission to make an annual report to the legislature of complaints against condominium boards and the number and type of enforcement actions taken by the Commission.

Numerous concerned individuals supported this bill. The Hawaii Chapter of the Community Associations Institute, Hawaii First, Inc., and a few concerned individuals opposed this bill. The Hawaii Real Estate Commission and several concerned individuals provided comments.

Your Committee has amended this measure to remedy potential conflicts with existing statutory law by:

- (1) Deleting the conflict of interest disclosure requirements;
- (2) Deleting the requirement of an annual report to the legislature;
- (3) Changing its effective date to July 1, 2025, to facilitate discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that should your Committees on Consumer Protection & Commerce and Judiciary choose to consider this measure, the Committees further examine the issues of increased enforcement and transparency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2401, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2401, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 171-14 Human Services on H.B. No. 1697

The purpose of this measure is to provide safe places where youth can seek shelter from harmful environments and access advice, guidance, programs, and services through the Safe Places for Youth Pilot Program. This measure implements the Safe Places for Youth Pilot Program, establishes the position of youth program coordinator, and appropriates funds to support the coordinator and residential options for the Program.

The Hawaii Youth Services Network; Kauai Community Alliance; Planned Parenthood of Hawaii; IMUAlliance; Institute for Human Services, Inc.; Community Alliance for Mental Health; and several concerned individuals supported this bill. The Office of Youth Services and Hawaii Association for Justice provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the definitions of "minor" and "youth";
- (2) Removing providers' immunity from civil or criminal liability; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1697, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1697, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Jordan, Woodson and Fukumoto.

SCRep. 172-14 Labor & Public Employment on H.B. No. 1960

The purpose of this measure is to establish price caps for workers' compensation and motor vehicle insurance reimbursement rates for prescription drugs.

The Chamber of Commerce of Hawaii, National Association of Mutual Insurance Companies, Property Casualty Insurers Association of America, Hawaii Insurers Council, and an individual testified in support of this measure. The Department of Human Resources Development, Department of Labor and Industrial Relations, Automated HealthCare Solutions, ILWU Local 142, Work Injury Medical Association of Hawaii, Injured Workers Pharmacy, and an individual provided comments.

Your Committee notes the concerns of the Department of Labor and Industrial Relations that several key technical terms in the bill need to be defined to avoid confusion and ambiguity. Accordingly, your Committee respectfully requests the Committee on Consumer Protection and Commerce to consider defining the following terms:

- (1) Average wholesale price;
- (2) Original manufacturer;

- (3) National drug code;
- (4) Date of dispensing;
- (5) Repackaged drugs;
- (6) Relabeled drugs;
- (7) Compound medication; and
- (8) Underlying drug product.

Your Committee has amended this measure by moving the provisions establishing price caps for prescription drugs from section 386-21, Hawaii Revised Statutes, to a new statutory section. Additionally, your Committee:

- (1) Removed the requirement that prescription drugs not available at major retail pharmacies are not reimbursable unless approved by the Director of Labor and Industrial Relations through the rulemaking process;
- (2) Set the reimbursement rate for prescription drugs that are not available at major retail pharmacies at 100 percent of the average wholesale price;
- (3) Set standards for dispensing and using generic prescription drugs; and
- (4) Made technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1960, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1960, H.D. 1, and be referred to the Committee on Consumer Protection and Commerce.

Signed by all members of the Committee except Representatives Har, Ing, Yamane and Johanson.

SCRep. 173-14 Labor & Public Employment on H.B. No. 1961

The purpose of this measure is to require independent medical examinations and permanent impairment rating examinations for workers' compensation claims to be performed by physicians who are mutually agreed upon by employers and employees. This measure also permits the use of an out-of-state physician under certain circumstances.

The Department of Labor and Industrial Relations; ILWU Local 142; Hawaii State AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Injured Worker Association; Work Injury Medical Association of Hawaii; and two individuals provided testimony in support of this measure. The Department of Human Resources Development; The Chamber of Commerce of Hawaii; Property Casualty Insurers Association of America; Hawaiian Electric Company, Inc.; Maui Electric Company, Ltd; Hawaii Electric Light Company, Inc.; King & Neel, Inc.; dck pacific construction, LLC; Hawaii Insurers Council; Healy Tibbitts Builders, Inc.; Royal Contracting Co., Ltd.; JADE PAINTING, INC.; Allied Machinery Corp.; Hawthorne Pacific Corporation; Ralph S. Inouye Co., Ltd; PDCA of Hawaii Workers' Compensation Self-Insurance Group; S & M Sakamoto, Inc.; LYZ, Inc.; Atlas Insurance Agency; General Contractors Association of Hawaii; TOMCO CORP.; Society for Human Resource Management, Hawaii Chapter; Building Industry Association of Hawaii; Hawaii Independent Insurance Agents Association; FOREST CITY HAWAII; JR Construction; and an individual provided testimony in opposition to this measure. The National Association of Mutual Insurance Companies provided comments on this measure.

While a majority of independent medical examinations for workers' compensation claims are performed by physicians who are mutually agreed upon by employers and employees, the percentage of these examinations that are not performed by physicians who are mutually agreed upon become increasingly problematic and require a disproportionate amount of time and resources. This results in increased costs of workers' compensation and diminishes a participant's level of care and satisfaction due to unnecessary delays in service. This measure seeks to provide a level playing field in the instance when a mutual agreement is not possible between the employer and employee.

Your Committee has amended this measure by:

- (1) Specifying that if the parties are unable to reach a mutual agreement regarding the selection of a physician to conduct an independent medical examination or permanent impairment rating examination within five working days, the employee and employer shall jointly prepare a list of five physicians, and that within the five-working-day period:
 - (A) The employee shall appoint the first physician and the employer shall appoint the second physician, and the process shall continue until there is a list of five physicians; and
 - (B) The employer shall strike the first physician and the employee shall strike the second physician and the process shall continue until only one physician remains, who shall conduct the examination;
- (2) Requiring that when an employee is requested or ordered to undergo an independent medical examination, the employer provide notice approved by the Director of Labor and Industrial Relations that:
 - (A) Informs the employee of the employee's rights and obligations with regard to independent medical examinations; and
 - (B) Provides the employee with instructions on how to participate in the process for independent medical examinations; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1961, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1961, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Har and Yamane.

SCRep. 174-14 Higher Education on H.B. No. 1545

The purpose of this bill is to effectuate its title.

H.B. No. 1545 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the action to report out H.B. No. 1545, as amended herein, and recommends that it be recommitted to the Committee on Higher Education, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 1545, H.D. 1.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 175-14 Judiciary on H.B. No. 2539

The purpose of this measure is to honor Saint Marianne Cope and her legacy by designating January 23 of each year as Saint Marianne Cope Day.

The Hawaii Catholic Conference, Hawaii Family Forum, Catholic Charities Hawai'i, and several concerned individuals testified in support of this measure. A few concerned individuals opposed this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2539 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Lee and Wooley.

SCRep. 176-14 Judiciary on H.B. No. 1846

The purpose of this measure is to increase from \$25,000 to \$40,000, the maximum claim amount that determines district court jurisdiction in civil cases.

An individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1846 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Belatti.

SCRep. 177-14 Judiciary on H.B. No. 1845

The purpose of this measure is to increase the threshold of the value in controversy requirement for jury trials in civil cases at common law in the circuit court from an amount in excess of \$5,000 to an amount in excess of \$10,000.

An individual testified in support of this measure.

Your Committee notes that the threshold was last amended in 1989. Accordingly, an update to the amount in controversy threshold is warranted.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1845 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Belatti.

SCRep. 178-14 Consumer Protection & Commerce on H.B. No. 1715

The purpose of this measure is to appropriate funds for the continued operation of the investor education program, targeted at kupuna, within the Department of Commerce and Consumer Affairs Office of the Securities Commissioner.

The Department of Commerce and Consumer Affairs testified in support of the intent of the measure.

Your Committee has amended this measure by:

- (1) Clarifying that the appropriation is for educational outreach targeted at kupuna, based on a model similar to the Department of Commerce and Consumer Affairs' existing investor education programs, particularly in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes;
- (2) Changing the appropriation to an unspecified amount; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Finance insert an appropriation amount of \$50,000.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1715, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1715, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Ito, Lee, Nakashima and Tsuji.

SCRep. 179-14 Consumer Protection & Commerce on H.B. No. 2018

The purpose of this measure is to modernize Hawaii's Time Share Law by:

- (1) Eliminating the requirement that a manager of a foreign time share plan register in Hawaii as a time share plan manager;
- (2) Requiring the disclosure statement for an offering of a time share plan to disclose that the manager of a foreign time share plan is not registered in Hawaii;
- (3) Recognizing that an association of time share owners may be any kind of nonprofit or not-for-profit entity; and
- (4) Making housekeeping amendments.

American Resort Development Association Hawaii, Starwood Vacation Ownership, Wyndham Vacation Ownership, Marriott Vacations Worldwide, and an individual testified in support of this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by amending the disclosure statement for time share units located outside the State to clarify that a plan manager is only exempt from registering under Hawaii's Time Share Law.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2018, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2018, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Lee, Nakashima and Tsuji.

SCRep. 180-14 Higher Education on H.B. No. 1855

The purpose of this measure is to help ensure the fiscal sustainability of the University of Hawaii at West Oahu by prohibiting the sale or gift of land currently being used for the permanent campus of the University of Hawaii at West Oahu, including the surrounding land to which the University holds title, without the prior consent of the Legislature by concurrent resolution.

The University of Hawaii opposed this measure. The Office of Hawaiian Affairs provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the purpose of the measure;
- (2) Including provisions that:
 - (A) Specify details required to be included in the concurrent resolution;
 - (B) Specify that the sale or gift must be abandoned if not approved by the Legislature; and
 - (C) Require the University to hold an informational briefing on the proposed sale or gift prior to the submission of a concurrent resolution for Legislative approval;
- (3) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1855, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1855, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Takai.

SCRep. 181-14 Higher Education on H.B. No. 1689

The purpose of this measure is to help ensure the allotment of ceded land revenues from Mauna Kea lands is appropriate by requiring:

- (1) That the calculation of the pro rata share of ceded land revenues for the lease of Mauna Kea lands be based upon the fair market value of using the lands or of using facilities and programs related to the lands; and
- (2) Twenty percent of lease revenues derived from leases of Mauna Kea lands to be transferred from the Mauna Kea Lands Management Special Fund to the Public Land Trust Fund, with specified conditions.

A concerned individual supported this measure. The University of Hawaii, Office of Hawaiian Affairs, Department of the Attorney General, and a concerned individual provided comments.

Your Committee recommends that the concept of cost versus fair market value in determining lease rent be evaluated by the subsequent committees.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for consistency and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1689, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1689, H.D. 1, and be referred to the Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Aquino and Takai.

SCRep. 182-14 Higher Education/Consumer Protection & Commerce on H.B. No. 1996

The purpose of this measure is to support and help improve Hawaii's food production industry by authorizing the issuance of \$2,700,000 in general obligation bonds for the completion of the Maui Food Innovation Center at the University of Hawaii Maui College.

The University of Hawaii Community Colleges, University of Hawaii Maui College, Hawaii Strategic Development Corporation, High Technology Development Corporation, Maui County Farm Bureau, and several concerned individuals supported this measure.

Your Committees note that the determination of funding amounts is within the purview of the Committee on Finance. Your Committees therefore respectfully request that the Committee on Finance consider \$2,700,000 as an appropriate amount of general obligation bonds to be issued.

Your Committees have amended this measure by:

- (1) Making unspecified the amount of general obligation bonds authorized;
- (2) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Higher Education and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1996, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1996, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Evans, Hanohano, Har, Say and Takai.

SCRep. 183-14 Higher Education on H.B. No. 1967

The purpose of this measure is to support the development of aviation and aeronautics in the State by appropriating \$450,000 in general funds for a program coordinator and technical support staff member to complete the necessary planning required for an international flight training center and associated aeronautical training programs at the University of Hawaii at Hilo and Hawaii Community College.

The University of Hawaii at Hilo, Department of Transportation, Department of Defense, County of Hawaii Office of the Mayor, County of Hawaii Department of Research and Development, and several concerned individuals supported this measure. The Department of Business, Economic Development, and Tourism supported the intent of this measure.

Your Committee notes that the determination of funding amounts is within the purview of the Committee on Finance. Your Committee therefore

respectfully requests that the Committee on Finance consider \$450,000 as an appropriate funding amount for this measure.

Your Committee has amended this measure by:

- (1) Making unspecified the amount of the appropriation;
- (2) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and accuracy.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1967, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1967, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Takai and Takumi.

SCRep. 184-14 Higher Education on H.B. No. 1744

The purpose of this measure is to assist students in reaching their academic and research goals by appropriating \$250,000 in general funds for the University of Hawaii at Manoa's McNair Student Achievement Program and establishing two positions within the University to oversee and administer the program.

The University of Hawaii; Auamo I Na Alakai; Waimanalo Hawaiian Homes Association; Filipino Coalition for Solidarity; Nursing Advocates & Mentors, Inc.; Filipino American Citizens League; and numerous concerned individuals supported this measure.

Your Committee notes that it is within the purview of the Committee on Finance to determine funding amounts. Your Committee therefore respectfully requests that the Committee on Finance consider \$250,000 as an appropriate funding amount for this measure.

Your Committee has amended this measure by:

- (1) Deleting the specific appropriation amount;
- (2) Changing its effective date to July 1, 2525, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1744, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1744, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Takai.

SCRep. 185-14 Higher Education on H.B. No. 1492

The purpose of this measure is to help increase fiscal transparency at the University of Hawaii by repealing the University of Hawaii Tuition and Fees Special Fund and requiring all income from tuition and fees be deposited to the general fund.

The University of Hawaii Board of Regents and University of Hawaii opposed this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1492, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1492, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Takai.
(Representatives Hanohano and Say voted no.)

SCRep. 186-14 Higher Education on H.B. No. 2007

The purpose of this measure is to support the growth and sustainability of the local agricultural industry by appropriating \$150,000 in general funds for the Local and Immigrant Farmer Education Program of the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources Cooperative Extension Service.

The University of Hawaii at Manoa College of Tropical Agriculture and Human Resources; Hawaii Papaya Industry Association; Hawaii Primary

Care Association; Rusty's Hawaiian, LLC; Matsuda-Fukuyama Farms, Inc.; and several concerned individuals supported this measure.

Your Committee notes that fiscal determinations are within the purview of the Committee on Finance. Your Committee therefore respectfully requests that the Committee on Finance consider \$150,000 as an appropriate funding amount for this measure.

Your Committee has amended this measure by:

- (1) Inserting an unspecified amount for the appropriation;
- (2) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for consistency and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2007, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2007, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Takai.

SCRep. 187-14 Agriculture on H.B. No. 2009

The purpose of this measure is to safeguard and protect the State's milk industry by requiring the Milk Control Special Fund to have a reserve of not less than \$300,000 to be used for contingency cost items, including audits, incurred in the administration of the Hawaii Milk Control Act.

The Department of Agriculture and Hawai'i Farm Bureau Federation supported this bill.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2009 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 188-14 Tourism on H.B. No. 2169

The purpose of this measure is to provide incentives to stimulate tourism by:

- (1) Providing qualified employers a tax credit of 4.5 percent of wages paid to each qualified employee for a period after completion of hotel and resort construction or renovation; and
- (2) Providing a general excise tax exemption for certain hotel and resort construction or renovation.

The Hawaii Tourism Authority, Hawaii Lodging & Tourism Association, Outrigger Hotels Hawaii, Maui Hotel & Lodging Association, and Wyndham Vacation Ownership supported this measure. The Department of Taxation and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee notes that the Department of Taxation raised concerns about creating a duplicative tax benefit because, in general, wages paid to employees are already deductible from the gross income of a business.

Your Committee also notes that the Department of Taxation expressed concerns about the process for certifying facilities relative to the tax credit. The Department of Taxation said the process is administratively problematic and could lead to significant abuse with little recourse for the State.

Your Committee further notes that the Department of Taxation suggested that the term "department" should refer exclusively to the Department of Taxation, and that references to the Department of Business, Economic Development, and Tourism be specifically referenced where appropriate.

Your Committee finds that this measure warrants further discussion as it advances through the legislative process.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 189-14 Water & Land on H.B. No. 1901

The purpose of this measure is to authorize and direct the Board of Land and Natural Resources to enter into inter-jurisdictional agreements or compacts, including the Interstate Wildlife Violator Compact, for the purpose of enforcing compliance with hunting, fishing, and other wildlife laws.

The Hawaii Rifle Association, Game Management Advisory Commission, Humane Society of the United States, and a few individuals submitted testimony in support of this measure. One individual submitted testimony in opposition to this measure. The Department of Land and Natural Resources submitted comments.

Your Committee has amended this measure by:

- (1) Deleting provisions that authorized the Board to enter into agreements or compacts and directed it to join the Interstate Wildlife Violator Compact;
- (2) Inserting new language to create a task force composed of law enforcement agencies, wildlife regulators, and community stakeholders to examine the feasibility of Hawaii's participation in the Interstate Wildlife Violator Compact and report its findings to the legislature; and
- (3) Making nonsubstantive technical amendments for the purposes of clarity.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1901, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1901, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 190-14 Water & Land on H.B. No. 1902

The purpose of this measure is to ensure that there is no net loss of public hunting areas throughout the State by prohibiting the Department of Land and Natural Resources from reducing the total acreage of designated areas on each island and requiring the Department to designate replacement land if the Department makes public hunting area land unavailable.

The Mayor of the County of Hawai'i, Hawaii Rifle Association, Hawaii Sportsmen Alliance, the National Rifle Association of America, Hawaii Chapter, National Wild Turkey Federation, Kaupo Wildlife Club, and many individuals submitted testimony in support of this measure. The Conservation Council for Hawai'i, The Nature Conservancy of Hawai'i, and Sierra Club of Hawai'i submitted testimony in opposition. The Department of Land and Natural Resources, the Hawai'i County Council member representing District 3, Hawaii Game Management Advisory Council, Earthjustice, The Hawaii Hunting Association, and several individuals submitted comments.

Your Committee has amended this measure by:

- (1) Changing the date for establishing the baseline net acreage to be preserved as public hunting area to January 1, 2014;
- (2) Clarifying that the Department of Land and Natural Resources shall designate equivalent state land to replace land in a public hunting area that becomes unavailable for any reason and specifying criteria for the replacement land; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1902, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1902, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 191-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 2288

The purpose of this measure is to amend the Hawaiian Homes Commission Act to allow the Department of Hawaiian Home Lands to dispose of Department-owned or Department-controlled improvements or portions thereof on Hawaiian homelands through direct negotiations and at fair market rents for a term not to exceed five years.

The Department of Hawaiian Home Lands, Community Alliance on Mental Health, and an individual provided testimony in support of this measure.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2288 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Nishimoto and Fale.

SCRep. 192-14 Tourism on H.B. No. 2435

The purpose of this measure is to enhance the operational effectiveness and efficiency of the Hawaii Tourism Authority (Authority) by making permanent the following provisions of Act 58, Session Laws of Hawaii 2004:

- (1) Exempts the Authority from the supervision of accounts by the Comptroller;
- (2) Allows the Comptroller to request the Authority to provide information when preparing the Comptroller's annual publication of statements;
- (3) Subjects the Authority to accounting form requirements only with respect to uniform business and accounting forms of statewide use in the State's accounting system;

- (4) Makes the Authority's Executive Director subject to the State's pension and retirement systems and adjusts the Executive Director's compensation package;
- (5) Allows the Authority's Board of Directors to appoint a Sports Coordinator; and
- (6) Allows interest and revenues or receipts derived by the Authority from any project or project agreements to be deposited into the Tourism Special Fund.

The Authority supported this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2435 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 193-14 Higher Education on H.B. No. 1654

The purpose of this measure is to help ensure that repair and maintenance projects, including deferred maintenance projects, at University of Hawaii campuses are completed in a timely and cost-efficient manner by establishing:

- (1) The Campus Facility Board to evaluate, identify, prioritize, and allocate funds appropriated by the Legislature for repair and maintenance; and
- (2) A temporary University of Hawaii Repair and Maintenance Expenditure Oversight Commission for fiscal year 2014-2015.

A concerned individual supported this measure. The University of Hawaii and Department of Accounting and General Services opposed this measure.

Your Committee has amended this measure by:

- (1) Requiring the Campus Facility Board to include in its annual report:
 - (A) The total amount of funds budgeted for repair and maintenance;
 - (B) The total amount of funds spent on repair and maintenance;
 - (C) An evaluation and inventory of any deferred maintenance backlog;
 - (D) A report detailing all projects over \$5,000,000 that were delayed or experienced cost overruns, which must also be submitted to the University of Hawaii Office of Internal Audit; and
 - (E) The overall state of campus facilities;
- (2) Requiring the Campus Facility Board to evaluate and identify all amounts appropriated by the Legislature for repair and maintenance as part of its duties;
- (3) Adding a member of the University of Hawaii Board of Regents to the Campus Facility Board;
- (4) Deleting provisions establishing the temporary University of Hawaii Repair and Maintenance Expenditure Oversight Commission;
- (5) Changing its effective date to July 1, 2025, to encourage further discussion; and
- (6) Making technical, nonsubstantive changes for consistency and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1654, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 194-14 Water & Land on H.B. No. 1579

The purpose of this measure is to simplify the process for recordation of money judgments, orders, or decrees by clarifying that money judgments, orders, or decrees are considered valid liens against real property if they have been recorded in the Bureau of Conveyances.

The Hawaii State Bar Association Collection Law Section, Hawaii Council of Associations of Apartment Owners, and two individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1579 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano and Say.

SCRep. 195-14 Water & Land on H.B. No. 1765

The purpose of this measure is to provide for the conservation of native sandalwood species by requiring the Department of Land and Natural Resources to issue licenses and enforce conditions for sandalwood harvesting and by providing administrative and criminal penalties for violations.

The Foundation for Islands of Harmony submitted testimony in support of this measure. Hawai'i Forest Industries Association and Forest Solutions, Inc. submitted testimony in opposition. The Department of Land and Natural Resources; Haloa Aina, LLC; and two individuals submitted comments.

Your Committee finds that Hawaii's endemic species of sandalwood, *ilahi*, is in immediate threat due to the possible destruction of many of its last remaining stands. Trees that are hundreds of years old may be cut without impunity because of a lack of regulation. Regulating sandalwood harvesting to preserve old-growth trees, incentivize cultivation of new trees, and promote sustainable use will contribute to conservation and to developing both large-scale and cottage industries.

Your Committee further finds that the House of Representatives has previously requested the creation of a task force to investigate regulating the harvesting of Hawaiian sandalwood through the passage of House Resolution No. 147 (2012). However, that task force was not able to conduct its requested duties because of budget constraints in the Board of Land and Natural Resources. Your Committee finds that this issue has remained important and timely, particularly in light of current state initiatives to protect Hawaii's irreplaceable mauka watersheds. Sustainable cultivation and harvesting of forest products is a potential growth industry in the State. Properly managed, such enterprises can contribute to both restoration of natural resources and economic opportunity.

Your Committee has amended this measure by:

- (1) Deleting provisions prohibiting the destruction or harvesting of sandalwood trees of a specified age or without or in violation of a license issued by the Department of Land and Natural Resources and providing penalties for non-compliance;
- (2) Inserting new language establishing a task force in the Department of Land and Natural Resources, specifying its membership, and directing it to investigate and make recommendations on the sustainable use and regulated management of sandalwood resources;
- (3) Appropriating an unspecified sum to the Department to support the operations and administration of the task force; and
- (4) Making technical, nonsubstantive amendments for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1765, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1765, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 196-14 Water & Land on H.B. No. 1905

The purpose of this measure is to create a Hawaii hunting participant permit for children from seven to ten years old which would allow a child to participate in hunting activities if accompanied by a licensed hunter at least eighteen years old and would waive the hunter education requirement for obtaining a hunting license.

The Hawaii Game Management Advisory Commission, National Wild Turkey Federation, Hawaii Hunting Association, and many individuals submitted testimony in support of this measure. The Department of Land and Natural Resources, U.S. Sportsmen's Alliance, National Rifle Association of America, and Hawaii Rifle Association submitted comments.

Your Committee has amended this measure by:

- (1) Changing the designation of the authorized permit from hunting participant to hunting apprentice permit;
- (2) Specifying that any Hawaii resident over the age of seven who has never held a hunting license may be eligible for the permit;
- (3) Specifying application, validity, and renewal policies for the permit;
- (4) Raising the age requirement for the accompanying licensed hunter to twenty-one or older;
- (5) Prohibiting a permit holder ten years old or younger from possessing or using loaded weapons, live ammunition, muzzleloading firing components, and broadhead arrows;
- (6) Removing proposed languages that would have exempted a permit holder from hunter education requirements for obtaining a hunting license; and
- (7) Making technical, nonsubstantive amendments for the purpose of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1905, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1905, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 197-14 Water & Land on H.B. No. 2044

The purpose of this measure is to amend Act 119, Session Laws of Hawaii 2013 (Act 119), relative to the voluntary deregistration of fee non-time share interests registered in the land court system. Specifically, this measure:

- (1) Extends the sunset date of Act 119 for an additional two years; and
- (2) Further clarifies the procedures taken after a certificate of title for a fee time share interest is deregistered and marked canceled by the assistant registrar.

The Department of Land and Natural Resources and an individual testified in support of this measure. The Judiciary provided comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2044 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Hanohano and Say.

SCRep. 198-14 Water & Land on H.B. No. 2559

The purpose of this measure is to establish the Kawainui Advisory Council to ensure continued community participation in the preservation and protection of Kawainui after the completion of the Kawainui-Hamakua Marsh Complex Master Plan update process.

This measure also creates a reporting mechanism for and appropriates funds to enable the Kawainui Advisory Council to accomplish its purposes.

Two individuals testified in opposition of this measure. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2559, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2559, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Say.
(Representative Thielen voted no.)

SCRep. 199-14 Labor & Public Employment on H.B. No. 1976

The purpose of this measure is to ensure that Hawaii's wage and hour law is strictly enforced on public construction projects by:

- (1) Establishing the Wage and Hour for Public Works Projects Special Fund (Special Fund) to fund enforcement activities on public construction projects by the Department of Labor and Industrial Relations (Department);
- (2) Requiring state departments receiving appropriations of capital improvement project funds to transfer a percentage of those appropriations into the Special Fund;
- (3) Requiring the Department to provide to the Legislature an annual status report of the Special Fund; and
- (4) Creating additional labor law enforcement specialist IV positions within the Department to enforce Hawaii's wage and hour law and appropriating funds for the positions.

The Hawaii Operating Engineers Industry Stabilization Fund; Plumbers and Fitters United Association, Local 675; International Brotherhood of Electrical Workers, Local Union 1186; and an individual provided testimony in support of this measure. The Department of Accounting and General Services, Department of Labor and Industrial Relations, and Hawaii Regional Council of Carpenters provided comments on this measure.

Your Committee has amended this measure by specifying that expenditures for creating positions, hiring, and training personnel for enforcement purposes are allowable expenditures from the Special Fund.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1976, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1976, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 200-14 Labor & Public Employment on H.B. No. 2642

The purpose of this measure is to appropriate funds for deposit into the Hawaii Employer-Union Health Benefits Trust Fund.

An individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2642 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 201-14 Labor & Public Employment on H.B. No. 1956

The purpose of this measure is to fund collective bargaining cost items for employees in collective bargaining unit (6) and their excluded counterparts.

The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1956 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 202-14 Labor & Public Employment on H.B. No. 2220

The purpose of this measure is to fund collective bargaining cost items for the employees in collective bargaining unit (9) and their excluded counterparts.

The Department of Budget and Finance; Hawaii Health Systems Corporation; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2220 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 203-14 Labor & Public Employment on H.B. No. 1814

The purpose of this measure is to:

- (1) Permit employers to pay wages due to employees by direct deposit under certain requirements;
- (2) Prohibit employers from paying wages due to employees by a pay card, debit card, automated teller machine card, or similar means of an electronic payment card; and
- (3) Make an employer responsible for any fees incurred if the employer has insufficient funds for the direct deposit.

The Department of Labor and Industrial Relations and Hawaii Progressive Democrats provided testimony in support of this measure. The Chamber of Commerce of Hawaii, American Payroll Association, and Hawaii Bankers Association provided testimony in opposition to this measure. The Office of Consumer Protection of the Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee notes that the payment of wages via electronic payment card may subject employees to a variety of hidden costs and present difficulties to employees who may not use the same financial institution as the one providing the electronic payment card. Your Committee is cognizant of advances in technology in the banking industry and has amended this measure to provide protections for employees who choose to receive their wages by electronic payment cards. Further, in light of recent security breaches that have compromised personal information, your Committee has required that employers who choose to pay wages to employees by means of an electronic payment card provide safeguards for employees who receive their wages in such a manner.

Accordingly, your Committee has amended this measure by permitting an employer to pay wages by pay card, debit card, automated teller machine card, or similar means of an electronic payment card under the following circumstances:

- (1) An employer shall not mandate that an employee use an electronic payment card;
- (2) The employee shall not pay any of the costs or fees for the withdrawal of earned wages;
- (3) The employer shall assume or otherwise absorb fees or costs imposed by a financial institution for the use of an electronic payment card;
- (4) The employer shall comply with recordkeeping requirements;
- (5) The employee may cancel the use of an electronic payment card with reasonable notice;

- (6) The employer shall make available to the employee the employee's balance and certain records; and
- (7) The employer shall provide liability protections against fraud and identity theft associated with the use of an employer-issued electronic payment card.

Your Committee also made technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1814, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1814, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 204-14 Judiciary on H.B. No. 272

The purpose of this measure is to protect public employees by establishing abusive conduct against a public employee as a workplace safety and health violation and a basis for workers' compensation benefits.

The Department of Human Resources Development, Department of the Attorney General, and Hawaii Health Systems Corporation testified in opposition to the measure. The Department of Labor and Industrial Relations; Department of Human Resources of the City and County of Honolulu; and Hawaii Government Employees Association AFSCME Local 152, AFL-CIO, provided comments.

Your Committee has amended this measure by:

- (1) Eliminating the provisions that would have created a new part within Chapter 78, Hawaii Revised Statutes, to make abusive conduct against a public employee a workplace safety and health violation and a basis for workers' compensation benefits;
- (2) Requiring public employers to conspicuously display a poster in the workplace, which includes:
 - (A) A description of what actions qualify as abusive conduct in the workplace;
 - (B) The remedies available to employees experiencing such conduct; and
 - (C) The actions for employees to take to pursue those remedies, including the contact information of the primary person responsible for handling complaints of alleged abusive conduct in the workplace, and for an alternative contact in cases where the primary person is the perpetrator;
- (3) Changing its effective date to July 1, 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 272, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 272, H.D. 1.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 205-14 Water & Land on H.B. No. 2326

The purpose of this measure is to improve public safety by proposing an amendment to the Hawaii State Constitution that authorizes the State to issue special purpose revenue bonds and use the proceeds from the issued bonds to financially assist dam and reservoir owners with enhancing dam and reservoir safety.

The Department of Budget and Finance, Department of Land and Natural Resources, Alexander & Baldwin, Inc., and Hawaiian Commercial and Sugar Company testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2326 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano and Say.

SCRep. 206-14 Housing/Human Services on H.B. No. 2560

The purpose of this measure is to permit family child care homes to operate in agriculturally designated districts, provided that the family child care home was constructed prior to July 1, 2014.

PHOCUSED, People Attentive to Children (PATCH), and numerous concerned citizens supported this bill. The Department of Agriculture opposed this bill. The Department of Human Services provided comments.

Your Committees have amended this measure by clarifying its language to specify that family child care homes are a permitted use of farm

dwelling in agriculturally designated districts.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2560, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2560, H.D. 1, and be referred to the Committee on Agriculture.

Signed by all members of the Committee except Representatives Belatti, Jordan and Matsumoto.

SCRep. 207-14 Housing on H.B. No. 2448

The purpose of this measure is to allow the Hawaii Housing Finance and Development Corporation to issue bonds to finance infrastructure development on land owned by an eligible developer of an affordable housing project being constructed under a State or county affordable housing requirement.

The Hawaii Housing Finance and Development Corporation provided comments on this bill.

Your Committee has amended this measure by:

- (1) Authorizing the Hawaii Housing Finance and Development Corporation to issue revenue bonds for financing the development of infrastructure; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2448, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2448, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 208-14 Energy & Environmental Protection on H.B. No. 2060

The purpose of this measure is to establish a renewable fuels production tax credit to achieve greater energy security for the State and to repeal the ethanol facility tax credit.

Pacific Biodiesel Technologies, Hawaii Renewable Energy Alliance, Blue Planet Foundation, Hawaii BioEnergy, LLC, and several individuals testified in support of this measure. The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the aggregate tax credit cap per taxpayer in a credit period;
- (2) Amending the definition of "credit period" to mean a maximum of five consecutive years from the first taxable year in which a taxpayer begins qualifying renewable fuels production;
- (3) Making 2025 the last taxable year in which the credit may be claimed;
- (4) Changing the annual taxpayer credit cap to an unspecified amount; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Economic Development & Business consider inserting a per taxpayer cap of \$3,000,000 per year and a credit of 30 cents per one hundred fifteen thousand British thermal units of renewable fuels using the lower heating value produced and sold for distribution in Hawaii.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2060, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2060, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee.

SCRep. 209-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2440

The purpose of this measure is to honor Hawaii's men and women who served in the armed forces as well as Hawaii's rich royal history. Among other things, this measure:

- (1) Designates the Hotel Street Mall behind the Capitol Building as Memorial Mall and requires all future war memorials sited on the State Capitol grounds to be only placed in proximity to or along the Mall; and
- (2) Establishes the Ho'ono'ho Pono Working Group to supervise and direct the interchanging of the Eternal Flame, located on Beretania Street, and the Spirit of Lili'uokalani Statue, located on the Hotel Street Mall behind the Capitol Building, and to design bronze

plaques and bronze kahili to be placed on the wall directly behind the current location of the Eternal Flame honoring various members of the Hawaiian monarchy.

The Native Hawaiian Chamber of Commerce, Washington Place Foundation, and several concerned individuals testified in support of this measure. The Department of Accounting and General Services supported the intent of this bill. The Association of Hawaiian Civic Clubs and several concerned individuals testified in opposition to this measure. The State Office of Veterans Services submitted comments.

Your Committee has amended this measure by:

- (1) Requiring the Speaker of the House of Representatives and the President of the Senate to:
 - (A) Jointly appoint representatives from various specific private entities to the Ho‘onoho Pono Working Group rather than directly appointing these representatives to the Working Group; and
 - (B) Respectively appoint a member of the House of Representatives and the Senate to the Working Group;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2440, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2440, H.D. 1, and be referred to the Committee on Legislative Management.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 210-14 Energy & Environmental Protection on H.B. No. 1999

The purpose of this measure is to ensure that the public good is given priority in the operation of an electric utility by requiring the utility to be licensed by the Public Utilities Commission

The Sierra Club of Hawaii testified in support of this measure. Hawaiian Electric Company, Inc. testified in opposition to this measure. The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs and the Public Utilities Commission commented on this measure.

For the purpose of a public hearing on this measure, your Committee circulated Proposed H.B. 1999, H.D. 1 and notified the public that it would be accepting testimony on the proposed draft, which:

- (1) Establishes a Legislative Utility Oversight Task Force, commencing in 2014, to review franchises held by investor-owned electric utilities to ensure adequate provision of services to the public; and
- (2) Requires the Task Force to report its findings and recommendations to the Legislature every five years commencing no later than twenty days prior to the convening of the 2015 Regular Session.

Your Committee received testimony from various organizations and individuals on Proposed H.B. 1999, H.D. 1.

The Sierra Club of Hawaii and a few individuals testified in support of the Proposed Draft. Hawaiian Electric Company, Inc., and an individual testified in opposition of the Proposed Draft. The Public Utilities Commission and Division of Consumer Advocacy, Department of Commerce and Consumer Affairs commented on the Proposed Draft.

Your Committee considered the merits of both H.B. No. 1999, as received by your Committee, and Proposed H.B. 1999, H.D. 1, and upon careful consideration of the concerns raised by the Public Utilities Commission regarding the Legislative Task Force having a focused plan, adopted the Proposed Draft with the following amendments:

- (1) Changing the effective date to July 4, 2014; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1999, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1999, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.
(Representative Fale voted no.)

SCRep. 211-14 Energy & Environmental Protection on H.B. No. 1943

The purpose of this measure is to take vital steps towards achieving Hawaii's clean energy goals by:

- (1) Ensuring that connection to the Hawaii electric system by customer-generators can be accomplished in a timely and reasonable manner;

- (2) Directing and appropriating funds for the Public Utilities Commission (Commission) to initiate a proceeding no later than July 1, 2014, to consider issues regarding:
 - (A) The deployment of upgrades to the Hawaii electric system; and
 - (B) Whether and what differentiated authorized rates of return on common equity are warranted to increase utility investments in transmission and distribution infrastructure and advanced grid modernization technology for anticipated growth of customer generation; and
- (3) Directing the Commission to adopt rules for the improved accessibility of residents to interconnect to the Hawaii electric system.

The Alliance for Solar Choice; RevoluSun; Pacific Resource Partnership; Blue Planet Foundation; Renewable Energy Action Coalition of Hawaii; Inter-Island Solar Supply; R & R Solar Supply; Hawaii Energy Connection; Hi-Power Solar; Sunpower; Solar Inspectors Hawaii; Sierra Club of Hawaii; REC Solar; Rising Sun; Hawaii PV Coalition; Hawaii Solar Energy Association; Sunrun, Inc.; Life of the Land; Sunetric; Environmental Caucus of the Democratic Party of Hawaii; and numerous individuals testified in support of this measure. The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; Public Utilities Commission; State Procurement Office; Hawaii Electric Company, Inc.; and two individuals commented on this measure.

In deliberation on this measure, your Committee notes that there are rare circumstances that require unusually high costs for interconnection infrastructure, and those costs may still have to be incurred by the entity wishing to connect to the grid but it should not be incurred by other electric utility ratepayers. Accordingly, your Committee has amended this measure by:

- (1) Clarifying the procedures for grid access and interconnection for eligible customer-generators;
- (2) Requiring that all rules and procedures established by the Commission shall be revised as necessary to ensure that any eligible customer-generator can interconnect on the Hawaii electric system in a timely manner and for a just and reasonable cost;
- (3) Changing the appropriation to an unspecified amount; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests its consideration of an appropriation amount of \$750,000.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1943, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1943, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.
(Representatives Hanohano, Say and Fale voted no.)

SCRep. 212-14 Judiciary on H.B. No. 601

The purpose of this measure is to increase government transparency by amending government ethics and lobbyist laws to, among other things:

- (1) Prohibit a person from receiving private compensation for that person's internship with a legislator;
- (2) Prohibit any legislator or public employee from soliciting, accepting, or receiving any gift from a lobbyist or other specified persons interested in influencing government actions during certain time periods;
- (3) Prohibit lobbyists and specified persons interested in influencing government actions from offering or donating any gift during certain time periods, and subjecting any violators to administrative penalties with a maximum fine of \$500; and
- (4) Clarify that the prohibition on legislators or public employees soliciting, accepting, or receiving any gift when it can reasonably be inferred that the gift is intended to influence the legislator or employee in the course of their official duties, excludes certain gifts, including testamentary and family gifts or those from non-profit organizations made up of government agencies or officers or out-of-state governments;
- (5) Extend the amount of time that must elapse following the end of a legislator's term in office before the former legislator may represent any person or business for pay on a matter in which the legislator took official action from twelve months to two years; and
- (6) Include in reporting requirements for lobbyists the receipt or expenditure of any money for the purpose of influencing the election or defeat of any candidate for any elective office or for the passage or defeat of any proposed legislation.

The League of Women Voters of Hawaii and Babes Against Biotech testified in support of this measure. The Hawaii State Ethics Commission provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the prohibition against receiving private compensation for an internship with a legislator includes compensation from a private entity as well as employer but does not include monies from a private university or college if the recipient is a student of the university or college and receives academic credit for the internship;

- (2) Defining the term "internship" as work, including volunteer work, performed for the legislature by a person who is not an employee of the State;
- (3) Deleting language that would have prohibited any legislator or public employee from soliciting, accepting, or receiving any gift from a lobbyist or other specified persons interested in influencing government actions during certain time periods;
- (4) Deleting language that would have prohibited any lobbyist or other specified persons interested in influencing government actions from offering or donating any gift to a legislator or public employee during certain time periods;
- (5) Deleting language that would have clarified that the prohibition on legislators or public employers soliciting, accepting, or receiving any gift when it can reasonably be inferred that the gift is intended to influence the legislator or employee in the course of their official duties excludes certain gifts, including testamentary and family gifts or those from non-profit organizations made up of government agencies or officers or out-of-state governments;
- (6) Deleting language that would have extended the amount of time that must elapse following the end of a legislator's term of office before the former legislator may represent any person or business for pay on a matter in which the legislator took official action from twelve months to two years;
- (7) Deleting language that would have required lobbyists to include in their required reporting the receipt or expenditure of any money for the purpose of influencing the election or defeat of any candidate for any elective office or for the passage or defeat of any proposed legislation; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 601, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 601, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 213-14 Education on H.B. No. 2597

The purpose of this measure is to recognize and support exemplary teachers by providing, as part of the Teacher National Board Certification Incentive Program, an additional \$5,000 bonus per year for each public school teacher who maintains current National Board certification and who teaches at a school in a priority or Superintendent's zone, or other similar designation, as determined by the Department of Education.

Two concerned individuals supported this measure. The Department of Education and IMUAlliance supported this measure with amendments. A concerned individual opposed this measure. Three concerned individuals submitted comments.

Your Committee has amended this bill by:

- (1) Removing:
 - (A) Schools that are in restructuring under the No Child Left Behind Act, Public Law 107-110; and
 - (B) Schools that are not making adequate yearly progress but are not in restructuring under the No Child Left Behind Act, Public Law 107-110, as schools for which teachers who maintain current National Board certification can receive a bonus of an additional \$5,000 per year for teaching there;
- (2) Adding schools that are in a focus zone, as determined by the Department of Education, as schools for which teachers who maintain current National Board certification can receive a bonus of an additional \$5,000 per year for teaching there; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2597, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2597, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representative Takai.

SCRep. 214-14 Consumer Protection & Commerce on H.B. No. 2107

The purpose of this measure is to require the Auditor to conduct a study on the feasibility of having the State of Hawaii establish a captive insurance company to manage the State's property and casualty insurance risks.

The Department of Accounting and General Services testified in support of this measure. The Department of Commerce and Consumer Affairs testified in support of the intent of this measure.

Your Committee has amended this measure by requiring that the Auditor consult with individuals possessing knowledge and experience in forming and developing captive insurance programs. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committee notes that there is an appropriation of an unspecified amount in this measure for the Auditor to conduct the study. Your Committee further notes that the Auditor estimated that the study will cost \$300,000. Therefore, your Committee respectfully requests that your Committee on Finance further examine the appropriation amount.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2107, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2107, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Ito, Lee, Nakashima and Tsuji.

SCRep. 215-14 Consumer Protection & Commerce on H.B. No. 2019

The purpose of this measure is to:

- (1) Permit prospective purchasers of time share interests to receive printed or electronic copies of the disclosure statement on the time share plan; and
- (2) Amend the renewal process for time share registrations by:
 - (A) Permitting the developer to disclose either the total number of time share interests or the total number of points in a time share plan;
 - (B) Eliminating the requirement that developers provide title insurance and title reports; and
 - (C) Eliminating the requirement that developers file a financial statement with each renewal.

The Department of Commerce and Consumer Affairs, American Resort Development Association Hawaii, Starwood Vacation Ownership, Wyndham Vacation Ownership, Marriott Vacations Worldwide, and Royal Aloha Vacation Club testified in support of this measure.

Your Committee has amended this measure by:

- (1) Amending the disclosure statement language in order to clearly alert purchasers to read the disclosure statement before the seven-day rescission period expires; and
- (2) Requiring developers to include in an application for renewal of a developer registration the total number of registered time share interests in each unit and the total number of registered points in each property.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2019, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2019, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Lee, Nakashima and Tsuji.

SCRep. 216-14 Human Services on H.B. No. 2430

The purpose of this measure is to improve the health and well-being of low-income senior citizens by providing better access to nutritious fresh fruits, vegetables, herbs, and honey through vouchers provided by the Senior Farmer's Market Nutrition Program.

Kokua Council and GreenWheel Food Hub supported this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion;
- (2) Inserting a blank appropriation amount to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully notes that the original appropriation request was for \$500,000, for FY 2014-2015.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2430, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2430, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Jordan and Fukumoto.

SCRep. 217-14 Higher Education on H.B. No. 1655

The purpose of this measure is to increase fiscal transparency in the use of public funds by prohibiting transfers into the Hawaii Cancer Research Special Fund from other accounts or funds containing general funds.

The University of Hawaii Cancer Center provided comments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (2) Making technical changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1655, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1655, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Takai.

SCRep. 218-14 Higher Education on H.B. No. 2182

The purpose of this measure is to increase access to justice in Hawaii by establishing the Hawaii Justice League Program to provide loan repayment assistance to lawyers who pursue public interest work in Hawaii.

The Hawaii Access to Justice Commission, Hawaii Appleseed Center for Law and Economic Justice, William S. Richardson School of Law Student Bar Association, Filipino Law Students Association at the William S. Richardson School of Law, Students for Public Outreach and Civic Education, Hoala Aina Kupono, and numerous concerned individuals supported this measure. The Department of Budget and Finance submitted comments.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2525, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2182, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2182, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 219-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2074

The purpose of this measure is to honor the sacrifices of those who served in the armed forces and assist Hawaii's veterans with their long-term care needs by authorizing the issuance of general obligation bonds for the construction of a veteran's long-term care facility.

The Representative from the 1st Congressional District, State of Hawaii Department of Defense, Office of Veterans Services, Hawaii Health Systems Corporation, Hawaii Health Systems Corporation Oahu Region, Chamber of Commerce of Hawaii, Advisory Board on Veterans' Services, and Veterans of Foreign Wars of the United States testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2074 and recommends that it pass Second Reading and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 220-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1883

The purpose of this measure is to address the unique needs of veterans who are in the criminal justice system and who have mental illness and substance abuse issues arising from their military service. Specifically, this measure appropriates funds for the Veterans Treatment Court established in the First Circuit.

The Judiciary, Office of Veterans Services, Veterans of Foreign Wars of the United States, Advisory Board on Veterans' Services, Partners in Care, PHOCUSED-Protecting Hawaii's Ohana, Children, Under Served, Elderly, and Disabled, Chamber of Commerce of Hawaii, Catholic Charities Hawaii, and several concerned individuals testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1883 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 221-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2075

The purpose of this measure is to assist members of the Hawaii National Guard to further their education and achieve a higher education degree

by broadening the scope of the Hawaii National Guard's Tuition Assistance Program (Program). Specifically, this bill:

- (1) Expands the Program to include any officers of the Hawaii National Guard grades O-1 through O-5;
- (2) Clarifies that any Hawaii National Guard member who is a student working toward a degree on any campus of any accredited postsecondary educational institution authorized by the State, and not just undergraduate students would be eligible for tuition assistance;
- (3) Provides priority consideration for tuition assistance for Hawaii National Guard members who are working toward an undergraduate degree, as well as qualified enlisted personnel and warrant officers; and
- (4) Appropriates funds to provide tuition assistance to qualified members of the Hawaii National Guard.

The State Adjutant General and Director of State Civil Defense, Veterans of Foreign Wars of the United States, Department of Hawaii-Veterans of Foreign Wars of the United States, Hawaii Alliance of Student Veterans, and several concerned individuals testified in support of this measure.

Your Committee has amended this bill by:

- (1) Changing the appropriation for the provision of tuition assistance from \$1,000,000 to an unspecified sum;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$1,000,000 to provide tuition assistance to qualified members of the Hawaii National Guard.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2075, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2075, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 222-14 Public Safety on H.B. No. 2363

The purpose of this measure is to establish a two-year pilot project to demonstrate the cost-effectiveness of providing an alternative to incarceration by diverting low-risk offenders with substance-abuse issues from incarceration into a coordinated system of community-based treatment programs, community organizations, and reentry support services.

The Department of Public Safety, Hawaii Substance Abuse Coalition, Community Alliance on Prisons, and The Salvation Army Addiction Treatment Services supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu opposed this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the participants in the pilot project will be male and female nonviolent, low-risk drug offenders who are eligible for early release or parole, and not low-risk male and female offenders diverted from the Oahu Community Correctional Center;
- (2) Clarifying the role of the Department of Public Safety as it relates to the purchasing and contracting of necessary services to support the pilot project;
- (3) Clarifying the amount of time that participants shall spend in community-based treatment under the pilot project;
- (4) Adding definitions for "community-based treatment" and "nonviolent, low-risk drug offender";
- (5) Replacing the appropriation amounts with unspecified amounts for the pilot project;
- (6) Deleting all references to diversion in the pilot project, and clarifying that the pilot project shall be known as the Reentry Pilot Project for Nonviolent, Low-Risk Drug Offenders;
- (7) Changing the effective date to July 1, 2020, to promote further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests that the Committee on Finance consider appropriating \$500,000 for fiscal year 2014-2015 and the same sum for fiscal year 2015-2016 for the pilot project known as the Reentry Pilot Project for Nonviolent, Low-Risk Drug Offenders.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2363, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2363, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 223-14 Energy & Environmental Protection on H.B. No. 2509

The purpose of this measure is to appropriate funds to assist communities affected by discarded or abandoned tires by providing funds for the removal from the landscape of abandoned tires.

The Hawaii Automotive Dealers Association and an individual testified in support of this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by clarifying that funding be used for programs promoting removal from the landscape of abandoned tires that have been illegally dumped, including funding county programs established pursuant to Chapter 342I, Hawaii Revised Statutes.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests its consideration of the appropriation amount of \$250,000.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2509, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2509, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 224-14 Energy & Environmental Protection on H.B. No. 2141

The purpose of this measure is to establish the Hawaii Community-Based Renewable Energy Program (Program) to make the benefits of renewable energy more accessible to a greater number of Hawaii residents, including residential and commercial renters and other groups currently unable to participate in clean energy generation.

The Sierra Club of Hawaii; Blue Planet Foundation; and an individual testified in support of this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Business, Economic Development & Tourism; Public Utilities Commission; Hawaiian Electric Company, Inc.; and an individual commented on this measure.

Your Committee understands the concerns raised by the Public Utilities Commission that the measure may be overly prescriptive and may have unintended program design consequences resulting in implementation barriers. Accordingly, your Committee has amended this measure by:

- (1) Removing the prescriptive administrative requirements for utilities operating within the Program and instead setting policy guidance for the Public Utilities Commission for the establishment and structure of a community-based renewable energy contract, tariff, or tariffs;
- (2) Requiring the Public Utilities Commission to report to the Legislature relative to the implementation of the Program before the convening of the Regular Session of 2015;
- (3) Changing the effective date to June 15, 2750, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2141, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2141, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee.

SCRep. 225-14 Energy & Environmental Protection on H.B. No. 2307

The purpose of this measure is to strengthen the Electronic Waste and Television Recycling and Recovery Act.

The Department of Health, City and County of Honolulu's Department of Environmental Services, Sierra Club of Hawai'i, and Ulupono Initiative testified in support of this measure. Consumer Electronics Association testified in opposition to this measure. The Hawaii Food Industry Association, Sims Recycling Solutions, and Hewlett-Packard Company commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Health has the authority to discuss with and notify each manufacturer of its recycling obligation, by weight;
- (2) Requiring that there be at least one collection service in every zip code for counties with a population under 750,000, and at least one collection service in every county district for counties with a population over 750,000;
- (3) Providing that a manufacturer that does not meet its recycling obligation pay the Department of Health for the amount not achieved at a rate determined by the Department; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2307, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2307, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.
(Representative Fale voted no.)

SCRep. 226-14 Energy & Environmental Protection on H.B. No. 2618

The purpose of this measure is to facilitate the use of renewable energy by encouraging the use of grid-connected energy storage technologies and systems through an income tax credit, limited in scope and duration, for grid-connected energy storage properties.

Blue Planet Foundation; Hawaii PV Coalition; SunPower Systems, Corporation; Solar Power Systems International; Princeton Energy Group; Renewable Energy Action Coalition of Hawaii; Semptra US Gas and Power; Royal Contracting Company, Ltd.; Hawaii Renewable Energy Alliance; Sunrun Inc.; Ulupono Initiative; Molokai Ranch; and numerous individuals testified in support of this measure. An individual testified in opposition to this measure. The Department of Business, Economic Development & Tourism; Department of Taxation; Public Utilities Commission; County of Maui, Mayor's Office; Tax Foundation of Hawaii; and an individual commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the tax credit will be available to any taxpayer subject to income tax for each grid-connected energy storage property installed and placed in service in the State during the taxable year beginning after December 31, 2014, and not available for taxable years beginning after December 31, 2025;
- (2) Requiring the Department of Business, Economic Development, and Tourism to certify eligible grid-connected energy storage property that qualifies for the tax credit;
- (3) Making the tax credit available to grid-connected energy storage property that has a capacity of at least one megawatt-hour; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2618, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2618, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.
(Representative Fale voted no.)

SCRep. 227-14 Labor & Public Employment on H.B. No. 1955

The purpose of this measure is to provide funding for collective bargaining cost items for the employees in collective bargaining units (3) and (14) and their counterparts who are excluded from collective bargaining.

The Hawaii Health Systems Corporation provided testimony in support of this measure. The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided comments on this measure.

Your Committee has amended this measure by specifying that the appropriation from the general fund to Departmental Administration and Budget Division (BUF 101) shall be to collective bargaining unit (14), instead of collective bargaining unit (3).

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1955, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1955, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 228-14 Health on H.B. No. 2457

The purpose of this measure is to take proactive steps to prevent tooth decay among Hawaii's children by:

- (1) Requiring the Director of Health to participate in the National Oral Health Surveillance System; and
- (2) Requiring the Department of Health to, among other things:
 - (A) Establish, or enter into partnerships or agreements to administer, a school-based dental sealant program in a high-need demonstration school, and appropriating funds for this purpose; and
 - (B) Submit a report to the Legislature prior to the 2015 Regular Session detailing its efforts to prioritize prevention of tooth decay among children in the State.

The Department of Health, Department of Education, State Council on Developmental Disabilities, Good Beginnings Alliance, Hawaii Dental

Hygienists' Association, The Pew Children's Dental Campaign, and several individuals testified in support of this measure. Two individuals opposed this measure. Hawaii Dental Association and Hawaii Primary Care Association commented on this measure.

Your Committee amended this bill by changing its effective date to July 1, 2050, to facilitate further discussion.

Should the subsequent committees consider this measure, your Committee respectfully requests them to consider an appropriation amount of \$200,000 for the Department of Health to establish, or enter into partnerships or agreements to administer, a school-based dental sealant program in a high-need demonstration school.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2457, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2457, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representative Woodson.

SCRep. 229-14 Health on H.B. No. 1597

The purpose of this measure is to address the shortage of primary care providers in the State by appropriating funds for the Interdisciplinary Hawaii Health Systems Corporation Primary Care Training Program at Maui Memorial Medical Center.

The University of Hawaii, Hawaii Medical Association, Healthcare Association of Hawaii, and an individual supported this measure. An individual commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1597, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1597, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Woodson.

SCRep. 230-14 Health on H.B. No. 2321

The purpose of this measure is to prohibit the use of electronic smoking devices, also referred to as e-cigarettes, in enclosed and partially enclosed public areas, places of employment, and other areas specified under Chapter 328J, Hawaii Revised Statutes, where the smoking of tobacco products is prohibited under that chapter.

This measure also updates signage requirements to reflect that e-cigarettes and other electronic smoking devices are prohibited where smoking is prohibited by law.

The Department of Health, Department of the Attorney General, American Heart Association, American Lung Association, Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, and numerous individuals supported this measure. The Hawaii Smokers Alliance and numerous individuals opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the federal Food and Drug Administration intends to issue a proposed ruling that extends its tobacco product authority beyond cigarettes and tobacco, to include products like e-cigarettes.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2321, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2321, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 231-14 Health on H.B. No. 2309

The purpose of this measure is to increase the administrative penalties for violations of Chapter 321, Hawaii Revised Statutes (HRS), relating to the Department of Health, from a maximum of \$1,000 for each day of violation, to a maximum of \$10,000 for each day of violation.

The Department of Health and an individual testified in support of this measure. The Chamber of Commerce of Hawaii opposed this measure.

Your Committee notes the Department of Health's testimony that the current penalty amount does not have adequate deterrent effect to enforce compliance with the law in certain situations; however, your Committee believes greater guidance is needed to arrive at an appropriate maximum penalty amount. To support further deliberations on this measure, your Committee requests the Department of Health to provide to the Committee on Judiciary information on the administrative penalties imposed by other states for similar violations.

Your Committee has amended this bill by:

- (1) Changing the maximum penalty amount specified in the bill for violations of Chapter 321, HRS, to an unspecified amount;
- (2) Changing its effective date to July 1, 2050, to encourage continued discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2309, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2309, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 232-14 Health on H.B. No. 2299

The purpose of this measure is to establish permanent or temporary civil service exempt privacy officer and security officer positions in the Department of Health in compliance with federal information privacy and security laws.

The Department of Health supported this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposed this measure.

Your Committee has amended this bill by:

- (1) Deleting language that would have given civil service exempt status to the privacy officer and security officer positions;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

At its public hearing, your Committee noted the comments shared by testifiers and ensuing Committee member discussion regarding the civil service status of the positions created by this measure. Should the Committee on Labor consider this measure, your Committee respectfully requests that it further deliberate on the civil service status of these positions.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2299, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2299, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representative Woodson.

SCRep. 233-14 Health on H.B. No. 2532

The purpose of this measure is to safeguard the privacy and integrity of health care information by:

- (1) Specifying an individual's rights to access, use, and ensure the accuracy of the individual's own health records;
- (2) Specifying conditions under which individual health care information can be used or disclosed by individuals, medical personnel, regulatory agencies, researchers, public health agencies, law enforcement agencies, and parties to judicial or administrative proceedings; and
- (3) Establishing civil and criminal penalties for violations.

An individual testified in support of this measure. The Office of Information Practices, Healthcare Association of Hawaii, Hawaii Health Information Corporation, and Kaiser Permanente opposed this measure. The Hawaii Medical Service Association commented on this measure.

Your Committee has amended this bill by:

- (1) Limiting its scope to the use and disclosure of protected health care information in civil legal, administrative, or law enforcement proceedings or investigations;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should this measure proceed further in the legislative process, your Committee respectfully requests that the House Committee on Judiciary and the House Committee on Finance consider the impact and effects of the Hawaii Supreme Court's finding in *Brende v. Hara*, 113 Hawai'i 424, 153 P.d 1109

(2007), that the right to privacy granted by the Hawaii State Constitution prohibits certain uses and disclosures of personal health care information in the context of civil legal proceedings.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2532, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2532, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 234-14 Health on H.B. No. 2270

The purpose of this measure is to update Title 24, Hawaii Revised Statutes (HRS), Relating to Insurance, to:

- (1) Conform to the federal Patient Protection and Affordable Care Act by:
 - (A) Prohibiting rescissions of coverage under a health benefit plan in most circumstances and requiring health carriers to provide notice of rescission of coverage;
 - (B) Mandating parity between medical and surgical benefits and benefits for alcohol dependency, drug dependence, and mental health treatment services; and
 - (C) Repealing sections 431M-3, 431M-4, 431M-5, 431M-6, and 431M-7, HRS;
- (2) Clarify that companies with general casualty insurance authority can only write accident and health or sickness insurance as incidental or supplemental coverage;
- (3) Streamline and improve the operations of the Insurance Division by clarifying that retention requirements for tax records for foreign and alien insurers, surplus lines brokers, and independently procured insureds;
- (4) Allow the Insurance Fraud Investigations Branch to review and take appropriate action on complaints of fraud relating to insurance under Title 24, but excluding workers' compensation insurance;
- (5) Include long-term care insurance as part of limited benefit health insurance;
- (6) Meet the accreditation standards of the National Association of Insurance Commissioners (NAIC) by applying article 11A of chapter 431, HRS (Business Transacted with Producer Controlled Property/Casualty Insurer), to risk retention captive insurance companies;
- (7) Require that 80 percent of all investment income on the reserves net of investment manager fees be applied to rate determination and filing of a managed care plan;
- (8) Adopt recommendations from the NAIC Health Maintenance Organization Model Act to clarify that the definition of "uncovered expenditures" includes out-of-area services, referral services, and hospital services; and
- (9) Make other housekeeping changes for purposes of clarity, style, and consistency.

The Department of Commerce and Consumer Affairs testified in support of this measure. The American Council of Life Insurers (ACLI) opposed this measure. Hawaii Medical Service Association (HMSA) commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making a technical, nonsubstantive amendment for consistency and style.

Should the Committee on Consumer Protection and Commerce consider this measure, your Committee respectfully requests that it look at the specific insurance provisions and concerns raised by ACLI and HMSA.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2270, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2270, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 235-14 Health on H.B. No. 2174

The purpose of this measure is to improve long-term outcomes for persons with autism spectrum disorders by requiring health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism spectrum disorder treatment.

The Department of Health; Hawaii Medical Association; Special Education Advisory Council; Hawaii Disability Rights Center; Mental Health America of Hawaii; UNITE HERE, Local 5; and several individuals provided testimony in support of this measure. The State Council on Developmental Disabilities, Easter Seals Hawaii, and Family Voices of Hawaii provided testimony in support of the intent of this measure. The Department of Commerce

and Consumer Affairs, Department of Human Services, State Auditor, Office of Information Practices, Kaiser Permanente Hawaii, Hawaii Medical Service Association, American Council of Life Insurers, The Chamber of Commerce of Hawaii, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2174, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2174, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 236-14 Health on H.B. No. 2061

The purpose of this measure is to require health insurance policies and plans to provide coverage for embryo, oocyte, and sperm cryopreservation procedures for adults diagnosed with cancer prior to the start of cancer treatment.

The American Cancer Society Cancer Action Network, Asian American Network for Cancer Awareness Research and Training, and many individuals testified in support of this measure. The Chamber of Commerce of Hawaii testified in opposition of this measure. The Department of Commerce and Consumer Affairs, Hawaii Medical Service Association, and a few individuals provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making nonsubstantive technical amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2061, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2061, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 237-14 Health on H.B. No. 2355

The purpose of this measure is to support women facing infertility issues by, among other things:

- (1) Amending the standards that set infertility treatment eligibility; and
- (2) Expanding infertility treatment coverage.

The Hawaii Health Systems Corporation and several individuals testified in support of this measure. Kaiser Permanente Hawaii testified in support of the intent of this measure. The Hawaii Catholic Conference and Chamber of Commerce of Hawaii testified in opposition of this measure. The Department of Commerce and Consumer Affairs and Hawaii Medical Service Association provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should this measure proceed further in the legislative process, your Committee respectfully requests that the House Committee on Consumer Protection and Commerce and the House Committee on Finance examine insurance policy coverage for infertility treatment and how insurers determine what benefits are covered and what are not.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2355, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2355, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 238-14 Health on H.B. No. 2224

The purpose of this measure is to help residents and prospective residents of clean and sober group homes to access a stable, alcohol- and drug-free, home-like living environment in residences that are in compliance with federal, state, and county requirements as well as minimum quality standards, by:

- (1) Establishing a registry for clean and sober homes within the Department of Health;
- (2) Amending the statute on county zoning to better align the functions of state and county jurisdictions to comply with federal law; and
- (3) Excluding clean and sober homes from Chapter 521, Hawaii Revised Statutes, the Residential Landlord-Tenant Code.

The Department of Health, Department of Public Safety, City and County of Honolulu Department of Planning and Permitting, County of Hawaii Planning Department, Hawaii Substance Abuse Coalition, Healthcare Association of Hawaii, and an individual supported this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the subsequent committees consider this measure, your Committee respectfully requests them to consider an appropriation amount of \$534,407 for staffing and operating costs to plan, establish, and operate the registry of clean and sober homes.

Your Committee would like to acknowledge the work of the Clean and Sober Homes and Halfway Houses Task Force in examining ways to address housing concerns for individuals transitioning from institutionalization or treatment settings to independent living. This measure is the product of the Task Force's efforts.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2224, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2224, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 239-14 Health on H.B. No. 2528

The purpose of this measure is to improve access to medical supplies and equipment for Medicare and Medicaid patients by requiring vendors who have been awarded contracts through the Centers for Medicare and Medicaid Services durable medical equipment, prosthetics, orthodontics, and supplies bidding program to have a physical presence in Hawaii.

The Queen's Health Systems, Healthcare Association of Hawaii, and CareResource Hawaii provided testimony in support of this measure. The Department of the Attorney General, Hawaii Medical Service Association, and an individual provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2528, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2528, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 240-14 Health on H.B. No. 2529

The purpose of this measure is to provide greater transparency and oversight for the Hawaii Health Connector ("Connector").

Specifically, this measure:

- (1) Transitions the Connector from a private nonprofit entity to a state entity within the Department of Commerce and Consumer Affairs, effective January 1, 2016;
- (2) Directs the Director of Commerce and Consumer Affairs to work with the Connector to effectuate a "seamless transition" with no interruption of service;
- (3) Reduces the Connector's board of directors from fifteen members to nine voting members, to include the Insurance Commissioner, the Director of Human Services, the Healthcare Transformation Coordinator, two members appointed by the Governor, two members appointed by the President of the Senate, and two members appointed by the Speaker of the House of Representatives; and
- (4) Establishes a consumer, patient, business, and health care advisory group and an intergovernmental agency advisory group to provide recommendations and input to the Connector board of directors.

The Community Alliance for Mental Health provided testimony in support of this measure. The Governor's Office of Healthcare Transformation, Hawaii Health Connector, American Association of Retired Persons, Chamber of Commerce of Hawaii, Hawaii Primary Care Association, and one concerned individual provided comments.

The Patient Protection and Affordable Care Act ("PPACA") authorized states to create health insurance exchanges to implement certain health insurance reforms in the PPACA. In response, Hawaii established the Hawaii Health Connector as a private nonprofit entity in 2011 to serve as Hawaii's health insurance exchange. Your Committee finds that the operations of the Connector deserve closer oversight to ensure accountability and long-term sustainability. Your Committee believes that this can be achieved by establishing the Connector as a state entity instead of its existing form as a private entity. Your Committee also notes that the creation of a consumer, patient, business, and health care advisory group and an intergovernmental agency advisory group to provide recommendations and input to the Connector board of directors will ensure that the board is responsive to the concerns of both public and private stakeholders.

Further, the PPACA requires state health insurance exchanges to be self-sustaining by January 1, 2015, and authorizes them to assess fees on insurers as a method of financing their operations. Your Committee recognizes that other states and the federal government have adopted fees to finance their own respective health insurance exchanges. Accordingly, your Committee finds that requiring the Insurance Commissioner to assess a fee on insurers that sell health insurance plans both inside and outside of the Connector will promote a competitive health insurance market, ensure the financial soundness of the Hawaii Health Connector, and maintain reasonable health insurance rates. As a means to efficiently account for Connector revenues and expenditures, your Committee believes that it is necessary to establish a Hawaii Health Connector sustainability revolving fund as a repository for revenue from these fees and other moneys acquired by the Connector. However, because the Hawaii Health Connector has already received planning and establishment grants from the federal government, your Committee believes that a special subaccount should be created within the revolving fund to house these moneys.

Your Committee further notes that the PPACA encourages states to develop their own innovative health care reforms by allowing states to seek innovation waivers from specific requirements of the PPACA relating to qualified health plans, health insurance exchanges, and certain premium subsidies. Hawaii has a long history of finding novel and effective approaches to providing access to health insurance for its uninsured and underinsured persons of all income levels. Accordingly, your Committee believes that Hawaii should investigate the feasibility of alternatives to certain requirements of the PPACA that are equally affordable and comprehensive, but tailored to Hawaii's unique insurance market. Your Committee also believes that a task force of public and private stakeholders should be created to determine the feasibility of alternative approaches to certain provisions of the PPACA and prepare a draft application for a state innovation waiver.

Your Committee has amended this measure by:

- (1) Establishing the Hawaii Health Connector as a state entity within the Office of the Governor, effective January 1, 2015;
- (2) Providing for the further transfer of the Connector to the State Health Planning and Development Agency, for administrative purposes, on December 31, 2017, or upon the approval of a state innovation waiver, whichever occurs first;
- (3) Replacing the Insurance Commissioner with the Director of Commerce and Consumer Affairs to serve on the Connector board of directors and replacing the Director of Commerce and Consumer Affairs with the Insurance Commissioner on the intergovernmental agency advisory group;
- (4) Making the following changes to the existing administration and operations of the Connector, upon its establishment as a state entity:
 - (A) Establishing the Hawaii Health Connector universal federally mandated sustainability fee to be assessed by the Insurance Commissioner upon each insurer who sells health or dental insurance in the State, either through the Connector or outside of it, based upon the number of individuals covered by each insurer;
 - (B) Creating a Hawaii Health Connector sustainability revolving fund, into which shall be deposited moneys received by the Connector, including the Hawaii Health Connector universal federally mandated sustainability fee;
 - (C) Establishing a special subaccount within the Hawaii Health Connector sustainability revolving fund, into which shall be deposited federal grant moneys received by the Connector prior to January 1, 2015;
 - (D) Requiring the board of directors to adopt rules to ensure transparency of board actions, but authorizing the board to close meetings to the public when discussing proprietary information;
 - (E) Authorizing insurance agents and brokers who have been certified by the Insurance Commissioner to enroll individuals and employers in qualified plans through the Connector; and
 - (F) Requiring the Connector to conduct procurement pursuant to chapter 103F, Hawaii Revised Statutes;
- (5) Repealing chapter 435H, Hawaii Revised Statutes, which originally established the Connector, effective January 1, 2015;
- (6) Providing for the dissolution of the nonprofit private Hawaii Health Connector and the transfer of its functions, records, personnel, property, and moneys to the newly-established state entity, effective January 1, 2015;
- (7) Directing the Office of the Governor to assist the Connector board of directors to effectuate a seamless transition without any interruption in service;
- (8) Appropriating an unspecified amount in Fiscal Year 2014-2015 to support the operations of the existing Hawaii Health Connector; provided that the Connector submits an itemized proposed budget to the Office of the Governor;
- (9) Establishing a state innovation waiver task force within the Office of the Governor that shall:
 - (A) Examine the feasibility of alternatives to certain health reforms in the PPACA;
 - (B) Develop a plan for applying for a state innovation waiver that meets the requirements of the PPACA, including options that offer innovations to the State's Medicaid program;

- (C) Examine the feasibility of obtaining an exemption to or waiver from the allowable age-based variances in health insurance premium rates;
- (D) Prepare a draft application for a state innovation waiver, to take effect for plan years beginning after January 1, 2017; and
- (E) Report its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and
- (F) Be dissolved on June 30, 2017;
- (10) Appropriating an unspecified amount in Fiscal Year 2014-2015 to support the operations of the state innovation waiver task force; and
- (11) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2529, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2529, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 241-14 Health on H.B. No. 2527

The purpose of this measure is to provide for the long-term financial stability of the Hawaii Health Connector.

Specifically, this measure:

- (1) Establishes the Hawaii Health Connector sustainability fee to be assessed by the Insurance Commissioner upon insurers in the State based upon the number of individuals covered by each insurer;
- (2) Establishes a Hawaii Health Connector sustainability special subaccount within the compliance resolution fund, into which shall be deposited revenues from the sustainability fee;
- (3) Directs the board of directors of the Hawaii Health Connector to notify the Insurance Commissioner of the funding needed to finance its operations over the upcoming fiscal year; and
- (4) Directs the Insurance Commissioner to transfer necessary funds to the Connector from the special subaccount.

Testimony in support of this measure was submitted by AlohaCare, Hawaii Medical Service Association, Hawaii Primary Care Association, and Community Alliance for Mental Health. Comments on this measure were provided by the Governor's Office of Healthcare Transformation, Hawaii Health Connector, American Association of Retired Persons, Tax Foundation of Hawaii, and the Chamber of Commerce of Hawaii.

Your Committee finds that both the federal Patient Protection and Affordable Care Act and chapter 435H, Hawaii Revised Statutes, require that Hawaii's health insurance exchange, the Hawaii Health Connector, be self-sustaining by January 1, 2015. The federal act and state law authorize the Connector to assess fees on insurers as a method of financing its operations. Indeed, your Committee notes that other states and the federal government have adopted fees and assessments as a means of providing financial support for their respective health insurance exchanges. To date, the Connector has approved a sustainability fee on health insurance plans sold through the Connector as follows: a 2 per cent fee on plans sold to individuals, which took effect January 1, 2014; and a 2 per cent fee on plans sold to small businesses, beginning on July 1, 2014.

Your Committee finds that imposing a fee only on health insurance plans sold through the Connector creates a disincentive for insurers to participate in the Connector and provides an unfair advantage to insurers that only sell health insurance outside of the Connector. Further, it is not clear that the current level of enrollment in health insurance plans purchased through the Connector will produce adequate fee revenue to make the Connector self-sustaining. Accordingly, your Committee finds that requiring the Insurance Commissioner to assess a fee on insurers that sell health insurance plans both inside and outside of the Connector will promote a competitive health insurance market, ensure the financial soundness of the Hawaii Health Connector, and maintain reasonable health insurance rates.

Your Committee has amended this measure by:

- (1) Changing the name of the sustainability fee to the "Hawaii health connector universal federally mandated sustainability fee" to reflect the federal requirement for state health insurance exchanges to be self-sustaining and the broad applicability of the fee;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2527, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2527, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 242-14 Health on H.B. No. 2525

The purpose of this measure is to require individual health insurance plans and small group plans to establish premium rates based upon pure community rating.

The Community Alliance for Mental Health provided testimony in support of this measure. The Department of Commerce and Consumer Affairs submitted testimony in opposition to the measure. The Governor's Office of Healthcare Transformation and Hawaii Primary Care Association submitted comments.

Among the many insurance market reforms in the federal Patient Protection and Affordable Care Act (PPACA) is the requirement for health insurance premium rates in the individual and small group markets to vary no more than a ratio of 3:1 based upon age. Generally, this permits insurance premium rates for older insureds to be as much as three times the premium rates for younger insureds. Your Committee finds that given the high percentage of older persons in Hawaii's population, this premium rate ratio will require older insureds to pay disproportionately high health insurance premiums. Your Committee believes that a "pure" community rating, or a ratio of 1:1, would produce a more equitable balance of insurance premium rates across all age groups.

Your Committee notes that the PPACA encourages states to seek innovative approaches to providing comprehensive affordable care. Section 1332 of the PPACA allows states to seek innovation waivers from the United States Department of Health and Human Services from specific requirements relating to qualified health plans, health insurance exchanges, and certain premium subsidies. Your Committee also notes that Hawaii has a long history of finding novel and effective approaches to providing access to health insurance for its uninsured and underinsured persons of all income levels. Accordingly, your Committee believes that Hawaii should investigate the feasibility of alternatives to certain requirements of the PPACA that are equally affordable and comprehensive but tailored to Hawaii's unique insurance market.

Your Committee has amended this measure by:

- (1) Establishing a state innovation waiver task force within the Office of the Governor that shall:
 - (A) Examine the feasibility of alternatives to certain health reforms in the PPACA;
 - (B) Develop a plan for applying for a state innovation waiver that meets the requirements of the PPACA, including options that offer innovations to the State's Medicaid program;
 - (C) Examine the feasibility of obtaining an exemption to or waiver from the allowable age-based variances in premium rates;
 - (D) Prepare a draft application for a state innovation waiver, to take effect for plan years beginning after January 1, 2017;
 - (E) Report its findings to the Legislature no later than twenty days prior to the convening of the Regular Session of 2016; and
 - (F) Be dissolved on June 30, 2017;
- (2) Appropriating an unspecified amount for the operations of the state innovation waiver task force; and
- (3) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2525, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2525, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 243-14 Health on H.B. No. 2269

The purpose of this measure is to enable the public to compare health insurance premiums by requiring, upon request, all managed care plans to provide health insurance premium information to the Insurance Commissioner, who shall publish it annually on the insurance division's official website.

The Department of Commerce and Consumer Affairs, Hawaii Medical Service Association, Hawaii Primary Care Association, Community Alliance for Mental Health, United Self Help, and a concerned individual supported this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2269, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2269, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 244-14 Housing on H.B. No. 2577

The purpose of this measure is to prohibit smoking anywhere in a public housing project by giving the Hawaii Public Housing Authority the right to terminate any lease, rental agreement, permit, or license and evict tenants for noncompliance.

The Department of Health, Coalition for a Tobacco-free Hawaii, and several concerned individuals supported this bill. Several concerned individuals opposed this bill. The Hawaii Public Housing Authority and several concerned individuals provided comments on this bill.

Your Committee has amended this measure by:

- (1) Allowing the Authority to designate one or more areas on the premises where smoking is allowed, so long as these areas are not less than twenty feet from any building or common area;
- (2) Requiring the Authority to adopt rules for the administration of the prohibition on smoking; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee respectfully notes that the intent of this measure is not to stop or hinder any rulemaking operations of the Authority currently in progress.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2577, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2577, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Jordan.

SCRep. 245-14 Judiciary on H.B. No. 1499

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to amend the definition of speech to provide that the expenditure of money to influence elections or promote lobbying is not a form of speech.

The League of Women Voters of Hawaii and several concerned citizens testified in support of this measure. The National Rifle Association of America, Hawaii Rifle Association, and Hawaii Family Advocates testified in opposition to this bill. The Department of the Attorney General and Common Cause Hawaii provided comments.

Your Committee acknowledges that the United States Supreme Court held in *Citizens United v. Federal Election Commission*, 558 U.S. 310 (2010), that contributions and expenditures of money made for the purpose of influencing an election are entitled to First Amendment protections. Until *Citizens United* is overturned, this measure can have no legal effect on political spending to influence elections and expenditures. Your Committee understands that the measure is purely symbolic. The appearance of a \$100 bill as a testifier at the committee hearing, described as "Mr. Franklin," underscores the point that money is not speech and should not be entitled to First Amendment protections. By passing this measure, your Committee intends to send a message to the Supreme Court that protecting unlimited expenditures of money is detrimental to the political process and such expenditures are not a form of speech.

Your Committee has amended this measure by limiting the proposed amendment to the definition of speech to provide that speech does not include the expenditure of money to influence elections.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1499, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1499, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.
(Representative McDermott voted no.)

SCRep. 246-14 Water & Land on H.B. No. 1916

The purpose of this measure is to ensure the continued protection of Hawaii's environment by appropriating funds to assist the Hawaii Association of Conservation Districts with staffing and operational costs.

The Hawaii Association of Conservation Districts, Ka'u Soil and Water Conservation District, West Maui Soil and Water Conservation District, Central Maui Soil and Water Conservation District, DuPont Pioneer, Molokai Farm Bureau, 4 Ag Hawaii, Monsanto Hawaii, Hawaii Aquaculture and Aquaponics Association, Maui Cattle Company, Hawaii Farm Bureau, Hawaii Crop Improvement Association, Hawaii Agriculture Research Center, Hawaii Cattlemen's Council, McCall Flower Farm, Inc., and many individuals testified in support of this measure. The Department of Health, Department of Land and Natural Resources, and Department of Agriculture provided comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1916 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 247-14 Judiciary on H.B. No. 716

The purpose of this measure is to protect consumers of public accounting services by clarifying the disciplinary actions and fines that the Board of Public Accountancy (Board) may impose for violations of the public accountancy laws. Specifically, the measure:

- (1) Authorizes the Board to take one or more disciplinary actions for a violation of the public accountancy laws;
- (2) Removes language limiting the suspension or period in which the Board can refuse to renew a license or permit to no more than two years; and
- (3) Increases the maximum amount of administrative fines the Board may impose for violations of public accountancy laws from \$1,000 to \$5,000.

The Department of Commerce and Consumer Affairs and Board of Public Accountancy testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 716 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Lee, Nakashima and Wooley.

SCRep. 248-14 Judiciary on H.B. No. 849

The purpose of this measure, as received by your Committee, is to update and recodify Hawaii's emergency management laws to conform with nationwide emergency management practices. Among other things, this measure:

- (1) Establishes a Hawaii Emergency Management Agency in the state Department of Defense with the functions and authority currently held by the state Civil Defense Agency;
- (2) Establishes the power and authority of the Director of Hawaii Emergency Management, who will be the Adjutant General, with the functions and authority currently held by the Director of Civil Defense;
- (3) Establishes the Hawaii Advisory Council on Emergency Management to confer with and advise the Governor in emergency management matters, with responsibilities currently held by the Civil Defense Advisory Council;
- (4) Establishes an Emergency Reserve Corps, to be made up of trained specialists to support state and county emergency requirements;
- (5) Codifies the existing State Warning Point, which is a physical location where warning systems are continually monitored;
- (6) Codifies and clarifies the mayors' authority for emergency management in their respective counties;
- (7) Establishes county emergency management agencies that are each to be under the respective county mayor's direction, with the functions and authority currently held by the local organizations for civil defense;
- (8) Codifies the existing practice that all state and county officials, officers, and employees are considered "emergency workers" subject to the direction of their respective state or county department director during emergencies or disasters;
- (9) Clarifies the Governor's authority for emergency management, and specifies that the Governor may "assume direct operational control" over local emergencies and disasters only during an "emergency period" when a state of emergency has already been declared by the Governor or a mayor;
- (10) Authorizes the Governor and mayors to delegate their emergency management powers consistent with current civil defense authority and practice;
- (11) Establishes how proclamations are promulgated and terminated consistent with current authority for civil defense proclamations;
- (12) Provides definitions of key emergency management terms, such as "critical infrastructure," "emergency," "emergency management," "emergency management functions," and "emergency period"; and
- (13) Repeals chapters on Disaster Relief and the Civil Defense Emergency Act which have been determined to be obsolete with the creation of the Hawaii Emergency Management Agency.

For the purposes of a public hearing on this bill, your Committee circulated a Proposed H.B. No. 849, H.D. 2 (Proposed Draft), and notified the public that it would be accepting testimony on the Proposed Draft, which among other things:

- (1) Provides further clarification to the Governor's ability to "assume direct operational control" over local emergencies and disasters, so that the Governor alone must have already declared a state of emergency;
- (2) Requires that the proclamations be posted on the applicable state or county emergency management agency website in addition to other means of promulgation, and that they remain posted until terminated;
- (3) Changes the effective date to July 1, 2014, and delays the application of Chapter 76, Hawaii Revised Statutes, to the county administrators or directors of emergency management by one year; and

- (4) Makes technical, nonsubstantive amendments for clarity, consistency, and style.

The Chair of the County Council of Maui, Healthcare Association of Hawaii, and two concerned individuals testified in support of the measure as received by your Committee. The Mayor of Kauai County testified in support of the measure as received by your Committee with comments. One concerned individual testified in opposition to the measure as received by your Committee.

The State of Hawaii Department of Defense; Department of Education; Department of Business, Economic Development & Tourism; Department of Transportation; Mayor of Hawaii County; Mayor of Maui County; Adjutant General and Director of State Civil Defense; Vice Director of the State Civil Defense; Department of Emergency Management of the City and County of Honolulu; Honolulu Police Department; Civil Defense Agency of the County of Hawaii; Hawaii Wing of the Civil Air Patrol; and several members of the State Civil Defense Advisory Council testified in support of the Proposed Draft. One concerned individual testified in opposition to the Proposed Draft.

Your Committee believes that a recodification of our State's civil defense laws is long past due.

Your Committee considered the merits of both H.B. No. 849, H.D. 1, as received by your Committee, and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Clarifying that Maui County includes the County of Kalawao for emergency management purposes and thus continues to be responsible for its emergency management; and
- (2) Further deferring the application of Chapter 76, Hawaii Revised Statutes, related to public officers and employees, to county administrators or directors of emergency management until July 1, 2016.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 849, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 849, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 249-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2289

The purpose of this measure is to repeal the directive to amend the Hawaiian Homes Commission Act of 1920, to accomplish the purposes of section 3 of Act 195, Session Laws of Hawaii 2011, which recognized the Native Hawaiian people as the only indigenous, aboriginal, maoli people of Hawaii and established the Native Hawaiian Roll Commission.

The Department of Hawaiian Home Lands, Office of Hawaiian Affairs, and Association of Hawaiian Civic Clubs provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2289 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee, Lowen, Nishimoto and Fale.

SCRep. 250-14 Education on H.B. No. 2410

The purpose of this measure is to promote students' academic success by requiring the Board of Education, in collaboration with stakeholders, to:

- (1) Develop a pilot program, to be implemented by the Department of Education, to assist students enrolled in kindergarten and fourth, eighth, and tenth grades to achieve the Common Core State Standards at established annual objective goals; and
- (2) Provide on the Department of Education's official website specified information for each public school.

Witt Counseling Service and two concerned individuals supported the measure. IMUAlliance supported the measure with amendments. The Hawaii State Teachers Association and a concerned individual opposed the measure. The Department of Education and Hui for Excellence in Education submitted comments.

Your Committee has concerns that the content and format of websites may change frequently; however, the information that the Department of Education must report on its website has been statutorily prescribed.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2410 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.
(Representative Fale voted no.)

SCRep. 251-14 Education on H.B. No. 2473

The purpose of this measure is to raise student academic achievement by establishing the Education Innovation Grant Program within the Department of Education to provide moneys to teachers to implement innovative initiatives in education.

The Hawaii Public Charter Schools Network, Witt Counseling Service, and a concerned individual supported the measure. The Department of Education supported the intent of the measure. IMUAlliance supported the measure with amendments. The Department of Budget and Finance and a concerned individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2473 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 252-14 Education on H.B. No. 2595

The purpose of this measure is to protect children by prohibiting any person convicted of a sexual offense against a minor from being present on or loitering near any public or private school property, with certain exceptions.

IMUAlliance and Witt Counseling Service supported the measure. The Department of Education and Hawaii State Teachers Association supported the intent of the measure. The Sex Abuse Treatment Center submitted comments.

Your Committee notes that concerns have been raised about the need for greater clarity regarding who can enter or remain near school property.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2595 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Takai.

SCRep. 253-14 Education on H.B. No. 2596

The purpose of this measure is to improve the learning environment for students by appropriating \$25,000,000 to the Department of Education for the installation of air-conditioning units in public school classrooms, including the design and construction of electrical upgrades, beginning with priority schools identified by the Department of Education.

The Department of Education, Hawaii State Teachers Association, United Public Workers, Hui for Excellence in Education, IMUAlliance, Witt Counseling Service, and three concerned individuals supported the measure.

Your Committee believes that in the future, the design of schools should take the natural environment of Hawaii into greater consideration.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2596 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 254-14 Health on H.B. No. 2056

The purpose of this measure is to protect and assist the elderly by, among other things:

- (1) Establishing a Fall Prevention and Early Detection Coordinator position to coordinate public and private fall prevention and early detection services;
- (2) Establishing an Elder Abuse and Fraud position;
- (3) Removing the hiring requirement relating to the Director of Health's appointment of the Alzheimer's Disease and Related Dementia Services Coordinator;
- (4) Requiring the Department of Health Executive Office on Aging to conduct a long-term care education and awareness campaign, and to obtain an independent evaluation of the campaign; and
- (5) Appropriating funds for the Fall Prevention and Early Detection Coordinator position; Alzheimer's Disease and Related Dementia Services Coordinator position; Prevention of Elder Abuse and Fraud position; Kupuna Care Program; Aging and Disability Resource Center; various senior centers on Oahu; Healthy Aging Partnership Program; education and awareness campaign on long-term care and independent evaluation of the campaign; and awareness and education of elder abuse, neglect, and fraud.

The Department of Commerce and Consumer Affairs, AARP, Hawaii Family Caregiver Coalition, ILWU Local 142, Catholic Charities Hawai'i, Lanakila Pacific, Policy Advisory Board for Elder Affairs, and numerous individuals supported this measure. The Executive Office on Aging, Department of Health, and Moiliili Community Center Senior Center Program commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting the specified appropriation amounts to support further deliberation on the financial aspects;
- (2) Removing:

- (A) The Fall Prevention and Early Detection Coordinator position;
- (B) The Kupuna Care Program appropriation;
- (C) Aging and Disability Resource Center appropriation;
- (D) Healthy Aging Partnership Program appropriation; and
- (E) The Long-term Care Education and Awareness Campaign;
- (3) Changing the position to be established by the Executive Office on Aging from a Prevention of Elder Abuse and Fraud position to an Elder Justice Coordinator position;
- (4) Specifying the responsibilities of the Elder Justice Coordinator position;
- (5) Clarifying that the appropriation to the Department of Commerce and Consumer Affairs for awareness and education of elder abuse, neglect, and fraud is for elder financial exploitation;
- (6) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should this measure be heard by the Committee on Finance, your Committee respectfully requests that it consider appropriating:

- (1) \$70,000 for Fiscal Year 2014-2015 for the Alzheimer's Disease and Related Dementia Services Coordinator position;
- (2) \$335,000 for Fiscal Year 2014-2015 to provide funding for grants, pursuant to Chapter 42F, HRS, for the following senior centers:
 - (A) \$185,000 for Catholic Charities Hawaii for the Lanakila Multi-purpose Senior Center;
 - (B) \$40,000 for Kapahulu Center;
 - (C) \$50,000 for Moiliili Community Center for the Moiliili Senior Center; and
 - (D) \$60,000 for Waikiki Community Center;
- (3) \$70,000 for Fiscal Year 2014-2015 for the Executive Office on Aging to establish and hire an Elder Justice Coordinator position; and
- (4) \$50,000 for Fiscal Year 2014-2015 for awareness and education on elder financial exploitation.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2056, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2056, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 255-14 Health on H.B. No. 2304

The purpose of this measure is to enable the Neurotrauma Advisory Board to function more efficiently and effectively by, among other things:

- (1) Decreasing the minimum number of Board members from 21 to 11 to facilitate attaining quorum, while still maintaining representation from all advocacy and disability groups currently represented;
- (2) Establishing quorum requirements for the Board; and
- (3) Authorizing the Director of Health to appoint to the Board, up to three state and county representatives whose work relates to neurotrauma.

The Department of Health, American Stroke Association, and Family Voices of Hawai'i supported this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2304, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2304, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 256-14 Health on H.B. No. 2319

The purpose of this measure is to repeal current language in sections 333E-6 and 334-5, Hawaii Revised Statutes, and replace it with the requirements of the Health Insurance Portability and Accountability Act privacy rule, which will apply to all entities that hold developmental disabilities and mental health records.

The Department of Health, State Council on Developmental Disabilities, Community Alliance for Mental Health, and United Self Help testified in support of this measure. An individual testified in opposition to the measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2319, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2319, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 257-14 Water & Land on H.B. No. 2236

The purpose of this measure is to provide government landowners with liability protections afforded to private landowners by expanding the limited liability protections given to landowners who directly or indirectly invite or permit persons to use their property for recreational purposes to government owned lands.

The Department of the Attorney General, the Department of Land and Natural Resources, and Hawaii Rifle Association testified in support of this measure. The Hawaii Association for Justice testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2236 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 258-14 Consumer Protection & Commerce on H.B. No. 2513

The purpose of this measure is to clarify judicial foreclosure procedures by specifying that attorney affirmations attesting to the accuracy of documents submitted in connection with a judicial foreclosure of residential property, as required under current law, are to be filed with the court at the time the foreclosure action is commenced.

A concerned individual testified in support of this measure. The Hawaii Bankers Association, Mortgage Bankers Association of Hawaii, and Hawaii Financial Services Association supported the intent of this measure.

Your Committee finds that section 667-17, Hawaii Revised Statutes, requires attorneys filing a judicial foreclosure action for residential property to submit an affirmation that the attorney has verified the accuracy of documents submitted in connection with the foreclosure action. However, the statute currently does not specify when the affirmation must be submitted, thus allowing attorneys to initiate a foreclosure action without information sufficient to warrant the action. This measure helps to prevent those unwarranted actions by requiring that the attorney affirmation be filed with the court at the time that the foreclosure action is commenced.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2513 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 259-14 Consumer Protection & Commerce on H.B. No. 2482

The purpose of this measure is to make technical, nonsubstantive amendments to the State's condominium law.

The Hawaii Council of Associations of Apartment Owners, Hawaii State Association of Parliamentarians, and an individual testified in support of this measure. The Hawaii Real Estate Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing certain amendments that are substantive changes with unintended consequences to the State's condominium law in sections 514B-145(g), 514B-146(f), and 514B-149(c), Hawaii Revised Statutes;
- (2) Clarifying that the approval of a lease rent collection system and an annual audit of an association's financial accounts and cash balance may be waived at an association meeting by a majority vote of all the unit owners if the association is composed of less than

20 units;

- (3) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2482, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2482, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 260-14 Consumer Protection & Commerce on H.B. No. 2242

The purpose of this measure is to update various criminal offenses relating to the falsification of a written statement, document, or record by making the offenses applicable to electronic versions of those statements, documents, or records.

The Department of the Attorney General provided testimony in support of this measure.

Your Committee finds that many government and business records are kept in electronic form. However, the current law prohibits only the alteration of records kept in written form. Amending the penal code sections involving falsifying business records, obtaining a government-issued identification document under false pretenses, tampering with a government record, and making unsworn falsification to authorities, to include electronic records will allow government agencies to investigate and prosecute offenders who submit false statements or documents electronically or tamper with electronic records.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2242 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 261-14 Consumer Protection & Commerce on H.B. No. 2241

The purpose of this measure is to clarify the scope of Hawaii's statute relating to the service of criminal process issued by another state upon a Hawaii recipient.

Specifically, this measure:

- (1) Makes the provision requiring Hawaii recipients to respond to out of state process inapplicable to local government agencies;
- (2) Limits the scope of criminal process to the production of records;
- (3) Adds conditions, such as a nexus between the issuing state and the person or business in this State, that must be met before a Hawaii recipient must respond to out of state process; and
- (4) Makes other clarifying amendments.

The Department of the Attorney General and the Honolulu Police Department provided testimony in support of the measure.

Your Committee finds that this measure is necessary to ensure that the obligation to respond to out of state process is a reciprocal one.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2241 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 262-14 Consumer Protection & Commerce on H.B. No. 2583

The purpose of this measure is to subject any licensed contractor who aids or abets an unlicensed contractor to additional discipline by the Contractors License Board.

The Department of Commerce and Consumer Affairs, Regulated Industries Complaints Office; Contractors License Board; and Subcontractors Association of Hawaii testified in support of the measure.

Your Committee finds that pursuant to section 444-9.3, Hawaii Revised Statutes (HRS), aiding or abetting an unlicensed contractor is a misdemeanor. Your Committee also finds that the Contractors License Board has determined that enforcement of section 444-9.3, HRS, is outside the scope of administrative proceedings, and consequently, the Regulated Industries Complaints Office has been unable to administratively prosecute violations of section 449-9.3, HRS. By amending section 444-9.3, HRS, to make offending licensed contractors subject to additional discipline, your Committee believes that this measure will provide sufficient statutory authority to the Regulated Industries Complaints Office and the Contractors License Board to pursue

disciplinary action against licensees who aid or abet unlicensed contractors.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2583 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 263-14 Consumer Protection & Commerce on H.B. No. 2015

The purpose of this measure is to require motor vehicle insurers to pay the general excise tax and certificate of ownership fee to claimants.

The Department of Commerce and Consumer Affairs and GEICO provided comments on this measure.

Your Committee has amended this measure by, instead of creating a new statutory section, amending section 431:10C-312, Hawaii Revised Statutes, to require motor vehicle insurers to pay the general excise tax and certificate of ownership fee to third-party claimants, in addition to insureds.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2015, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2015, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 264-14 Consumer Protection & Commerce on H.B. No. 1950

The purpose of this measure is to help reduce the State's dependency on foreign oil by allowing seawater air conditioning district cooling systems to benefit from the State's Enterprise Zones Program.

Honolulu Seawater Air Conditioning, LLC and an individual provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism and an individual provided comments on this measure.

Your Committee has amended this measure by amending its purpose section to reflect that this measure benefits the entire State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1950, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1950, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 265-14 Consumer Protection & Commerce on H.B. No. 2003

The purpose of this measure is to establish the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Council to recommend improvements to the State's cybersecurity and to develop methods for securing federal moneys to fund other cybersecurity improvements.

The State Adjutant General, Director of State Civil Defense, and the Office of Information Management and Technology testified in support of the measure.

Your Committee has amended this measure by:

- (1) Deleting the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Council;
- (2) Establishing the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Coordinator (Coordinator) within the Department of Defense;
- (3) Specifying that the Coordinator shall be selected by the State Adjutant General based on recommendations of various entities that will partner with the Coordinator;
- (4) Requiring the Coordinator to partner with representatives from certain specified entities;
- (5) Requiring the Coordinator, through its various partnerships, to develop the requirements and methods to, among other things:
 - (A) Improve the State's cyber resiliency;
 - (B) Improve the State's critical infrastructure network and resiliency;
 - (C) Accelerate the growth of the State's cybersecurity industry;
 - (D) Define the requirements and opportunities to secure state, federal, and private funds for cybersecurity programs;
 - (E) Form partnerships to implement cyber resiliency structures and protocol to identify and share information about possible

cyber-attacks; and

- (F) Expand the State's cybersecurity and cyber resiliency understanding and workforce through education;
- (6) Requiring the Coordinator to submit its findings and recommendations to the Legislature no later than twenty days prior to the convening of the regular session of 2015;
- (7) Inserting an appropriation of an unspecified amount for the Coordinator's salary and operating expenses; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Finance consider inserting an appropriation amount of \$500,000 for the Coordinator's salary and operating expenses.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2003, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2003, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 266-14 Consumer Protection & Commerce on H.B. No. 1853

The purpose of this measure is to set the framework for the establishment of directed trusts in the State by, among other things:

- (1) Expanding the role of advisors in trust administration;
- (2) Limiting the liability of trustees for trust administration decisions made by advisors; and
- (3) Removing the trustee's duty to diversify under the Uniform Prudent Investor Act when a trust provision directs the retention of property.

The Department of Commerce and Consumer Affairs' Business Registration Division provided comments.

Your Committee has amended this measure by removing the unused definition of "investment advisor" to enhance clarity and consistency within the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1853, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1853, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 267-14 Consumer Protection & Commerce on H.B. No. 2621

The purpose of this measure is to expand the Procurement Policy Board's mandate to adopt rules regarding lost, stolen, damaged, unserviceable, or unsuitable property to include:

- (1) Time limits concerning issue reporting;
- (2) A duty for government agencies and contractors to cooperate in the investigation of raised issues; and
- (3) Penalties for failing to comply with these requirements.

An individual testified in support of this measure. The State Procurement Office provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing the rulemaking authority to adopt penalties in section 103D-1202(3)(C), Hawaii Revised Statutes, because section 103D-1210, Hawaii Revised Statutes, already imposes penalties for violations under this part; and
- (2) Changing the effective date of this measure to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2621, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2621, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Har and Yamane.

SCRep. 268-14 Energy & Environmental Protection on H.B. No. 2255

The purpose of this measure is to provide that:

- (1) Agencies entering into energy performance contracts receive budget appropriations and have access to financing options;
- (2) An energy performance contract have a maximum term of 25 years, including the construction period; and
- (3) Agencies implementing performance contracts provide annual reports to the Department of Business, Economic Development, and Tourism.

The Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; and Sierra Club of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2255 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 269-14 Energy & Environmental Protection on H.B. No. 2256

The purpose of this measure is to provide the long-term availability of financial resources to enable the State to achieve its 2030 clean energy and food security goals.

Among other things, this measure extends the Environmental Response, Energy, and Food Security Tax repeal date from June 30, 2015, to June 30, 2030, to provide financial support to the Departments of Health, Agriculture, and Business, Economic Development, and Tourism so that they can meet the 2030 clean energy and food security goals established pursuant to Act 155, Session Laws of Hawaii 2009, and Act 73, Session Laws of Hawaii 2010.

The Department of Agriculture; Department of Business, Economic Development, and Tourism; State Sustainability Coordinator; The Nature Conservancy; Ulupono Initiative; Renewable Energy Action Coalition of Hawaii; Blue Planet Foundation; and an individual testified in support of this measure. The Chamber of Commerce of Hawaii testified in opposition to this measure. Tax Foundation of Hawaii and Sierra Club of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2256 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 270-14 Energy & Environmental Protection on H.B. No. 2306

The purpose of this measure is to appropriate funds to the Department of Health to be deposited into the Environmental Response Revolving Fund to support environmental health activities and programs.

The Department of Health testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests an appropriation amount of \$2,600,000.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2306, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 271-14 Energy & Environmental Protection on H.B. No. 2308

The purpose of this measure is to establish an Environmental Information Management Office within the Department of Health.

The Department of Health; Department of Transportation; Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; Office of Environmental Quality Control; Kamaka Green; and a few individuals testified in support of this measure. The Chamber of Commerce of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the provisions that the appointment of the Environmental Information Management Office's manager and staff hired by the manager be done without regard to Chapter 76; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2308, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2308, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 272-14 Energy & Environmental Protection/Economic Development & Business on H.B. No. 2049

The purpose of this measure is to expand eligible business activity in the state enterprise zones to include the development, production, or energy storage of various types of renewable energy by sustainable business corporations.

The Chamber of Commerce of Hawaii; Hawaiian Electric Company, Inc.; Maui Electric Company; Hawaii Electric Light Company; Maui Venture Consulting, LLC; Hawaiian Electric Vehicle Network; and a few individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs; Department of Taxation; and Tax Foundation of Hawaii commented on this measure.

Your Committees have amended this measure by:

- (1) Removing the limitation on corporate structure, specifically sustainable business corporations as defined in section 420D-2, Hawaii Revised Statutes, relative to the development, production, or energy storage of various types of renewable energy; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2049, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2049, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola, Hanohano, Ito, Say, Tokioka and Fale.

SCRep. 273-14 Judiciary on H.B. No. 1602

The purpose of this measure is to increase transparency in campaign finance by requiring candidates and the treasurers of their candidate committees to file the January supplemental candidate committee report annually.

The Campaign Spending Commission, Common Cause Hawaii, and Americans for Democratic Action/Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1602 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Ito, Lee and McDermott.

SCRep. 274-14 Judiciary on S.B. No. 1007

The purpose of this measure, as received by your Committee, is to clarify the definition of "improved public lands" and exclude "voluntary trails" from improved public lands under Act 82, Session Laws of Hawaii 2003 (Act 82), relative to the liability protections for warning signs for outdoor recreation on public lands.

For purposes of a public hearing on this bill, your Committee circulated a Proposed S.B. No. 1007, S.D. 2, H.D. 1 (Proposed Draft), and notified the public that it would be accepting testimony on the proposed draft, which:

- (1) Increases the liability protections for the State and counties by extending the conclusive presumption for legally adequate warning to include dangerous non-natural conditions on unimproved public lands; and
- (2) Makes permanent the liability protections for warning signs for outdoor recreation on public lands in Act 82.

The County of Hawaii Department of Parks & Recreation; International Mountain Biking Association; Cloud Nine Tree Climbing, LLC; The Warrior's Way; and a great number of concerned individuals testified in support of this measure as received by your Committee. Two concerned individuals testified in opposition to this bill as received by your Committee. Numerous concerned individuals provided comments on this measure as received by your Committee.

The Department of the Attorney General; Department of Land and Natural Resources; C.A.M.P. USA, Inc.; Hawaii Paragliding Association; SLO Op Climbing; and a multitude of concerned individuals testified in support of the Proposed Draft. Hawaii Association for Justice testified in opposition to the Proposed Draft.

Your Committee considered the merits of both S.B. No. 1007, S.D. 2, as received by your Committee, and the Proposed Draft and upon careful consideration, adopted the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1007, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1007, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Belatti.

SCRep. 275-14 Judiciary on H.B. No. 2409

The purpose of this measure is to expand the activities prohibited under the offense of disorderly conduct to include lying down at a bus stop shelter or other bus stop structure in a manner that impedes or obstructs the use of or access to the bus stop, and making the offense punishable by a fine of \$50.

One concerned individual testified in support of this measure. The Office of the Public Defender, Pacific Alliance to Stop Slavery, and one concerned individual testified in opposition to this bill. The Department of the Prosecuting Attorney of the City and County of Honolulu provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2409 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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

SCRep. 276-14 Agriculture on H.B. No. 2368

The purpose of this measure is to prevent animal cruelty and protect the public health by establishing a misdemeanor offense for slaughtering or trafficking dogs or cats for human consumption.

The Hawaii Cattlemen's Council, Humane Society of the United States, Hawaiian Humane Society, and numerous individuals testified in support of this measure. The American Kennel Club submitted comments.

Your Committee finds that despite the enactment of animal cruelty offenses under Chapter 711, Hawaii Revised Statutes, there are continuous reports of dogs and cats being trafficked or slaughtered for human consumption. In some cases, the dogs and cats may be pet animals that are stolen or lost. Moreover, there are concerns that the consumption of these animals may spread disease to humans. By specifically prohibiting the slaughtering or trafficking of dogs or cats for human consumption, this measure provides law enforcement and local humane societies an additional tool for investigating reports of these harmful activities.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2368 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

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

SCRep. 277-14 Consumer Protection & Commerce on H.B. No. 2012

The purpose of this bill is to effectuate its title.

H.B. No. 2012 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

As amended, the purpose of this measure is to protect consumers in ticket sale transactions by making it an unfair or deceptive practice in the conduct of trade or commerce to:

- (1) Sell or offer to sell event tickets for more than the face value of the tickets, excluding taxes and reasonable service charges; or
- (2) Use computer software to circumvent online ticket purchase processes for the purpose of ticket scalping.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2012, as amended herein, and recommends that it be recommitted to the Committee on Consumer Protection & Commerce, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 2012, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Evans, Har and Yamane.

SCRep. 278-14 Judiciary on H.B. No. 1780

The purpose of this measure is to ensure the Child Support Enforcement Agency is able to carry out its statutory duties by appropriating funds to the Department of the Attorney General to reinstate several positions within the Child Support Enforcement Agency.

The Department of the Attorney General testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1780 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Ito, Lee and McDermott.

SCRep. 279-14 Energy & Environmental Protection on H.B. No. 2312

The purpose of this measure is to increase the portion of the barrel tax that is deposited into the Environmental Response Revolving Fund from five cents to fifteen cents to support emergency oil spill response, chemical leakage response, hazardous environmental disaster response, and environmental clean ups.

The Department of Health, Nature Conservancy, and an individual testified in support of this measure. Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the amount to be deposited into the Environmental Response Revolving Fund from fifteen cents to an unspecified amount to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests that fifteen cents of the tax on each barrel be deposited into the Environmental Response Revolving Fund.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2312, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2312, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 280-14 Energy & Environmental Protection on H.B. No. 2658

The purpose of this measure is to:

- (1) Include fuel cell electric vehicles in the definition of electric vehicles for purposes of parking exemptions, HOV lane use, registration, and required parking spaces in places of public accommodation; and
- (2) Require a procurement priority for fuel cell electric vehicles.

The Alliance of Automobile Manufacturers; General Motors, LLC; Hawaii Automobile Dealers Association; and one individual testified in support of this measure.

Your Committee has amended this measure by expanding the definition of fuel cell electric vehicle to include vehicles with one or more onboard electric motors to propel the vehicle.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2658, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2658, H.D. 1, and be referred to the Committee on Transportation.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 281-14 Public Safety on H.B. No. 1664

The purpose of this measure is to protect public health and safety by restricting the storage and redistribution of fireworks to permanent and temporary fireworks storage facilities that comply with county building or fire codes, or nationally recognized standards.

The Hawaii State Fire Council, Honolulu Fire Department, Maui Fire Department, and Kauai Fire Department testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1664 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 282-14 Public Safety on H.B. No. 1625

The purpose of this measure is to increase several cost and fee items set in the rate schedule for civil service of process in the State.

The Department of Public Safety; Leu, Okuda, & Doi; and several individuals testified in support of this measure. The Hawaii State Bar Association Collection Law Section provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (2) Changing all amended fees, rates, and costs to unspecified amounts.

Should the Committee on Finance consider this measure, your Committee respectfully requests its consideration of the following fee, cost, and rate increases:

- (1) For district court costs, pursuant to subsection 607-4(d), Hawaii Revised Statutes, associated with sheriff, deputy sheriff, police officer, or independent civil process servers from the department of public safety's list under section 253C-10, Hawaii Revised Statutes:
 - (A) Effective July 1, 2014, an increase from \$25 to \$40 for the service of a civil summon, warrant, attachment, or other civil process;
 - (B) An increase from \$2 to \$4 for the service of any additional copies of an attachment and inventory;
 - (C) For the service of an execution, an increase from 12 cents to 16 cents for the collection of every dollar up to \$500, and an increase from 7 cents to 10 cents for the collection of every dollar over \$500;
 - (D) Effective July 1, 2014, an increase from \$25 to \$40 for the service of a subpoena;
 - (E) Effective July 1, 2014, an increase from \$15 to \$40 for the service of a subpoena duces tecum or garnishee summon;
 - (F) An increase from 40 cents to 60 cents for miles traveled in the service of any civil process; and
 - (G) An increase in the hourly rate that may be agreed upon between a serving party and a requesting party in lieu of any fee described under (1) from not less than \$50 per hour to not less than \$75 per hour; and
- (2) For sheriff, deputy sheriff, police officer, serving or levying officer, or independent civil process server fees under subsection 607-8(a), Hawaii Revised Statutes:
 - (A) An increase from 40 cents to 60 cents for miles traveled in the service of any civil process;
 - (B) Effective July 1, 2014, an increase from \$25 to \$40 for the service of a civil summons or other civil process, except a subpoena or garnishee summons;
 - (C) Effective July 1, 2014, an increase from \$15 to \$40 for the service of a subpoena, subpoena duces tecum, or garnishee summons;
 - (D) Effective July 1, 2014, an increase from \$5 to \$10 for the return of any unserved process;
 - (E) For the service of an execution or other collection, an increase from 5 cents to 9 cents for the collection of every dollar up to \$1,000, and an increase from 2.5 cents to 5 cents for the collection of every dollar over \$1,000;
 - (F) An increase from \$2 to \$4 for the publishing of a bill of sale for the sale of property;
 - (G) An increase from \$8 to \$10 for the execution and acknowledgment of a deed pursuant to a sale of real estate;
 - (H) An increase from \$2 to \$4 for the drawing of any bond required by law;
 - (I) An increase from \$25 to \$40 for the service of a writ of possession or restitution; and
 - (J) An increase in the hourly rate that may be agreed upon between a serving party and a requesting party in lieu of any fee described under (2) from not less than \$50 per hour to not less than \$75 per hour.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1625, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1625, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 283-14 Public Safety on H.B. No. 2237

The purpose of this measure is to allow correctional facilities the time and opportunity to address complaints internally before allowing the initiation of a civil lawsuit. Specifically, this measure requires prisoners to exhaust administrative remedies before bringing a civil court action.

The Department of the Attorney General and the Department of Public Safety supported this measure. The Community Alliance on Prisons and two concerned individuals opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to promote further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the Department of Public Safety is currently working to strengthen its ability to track inmate's grievances, especially at out-of-state correctional facilities that have prisoners from Hawaii. As such, your Committee finds that this measure warrants further discussion as it advances through the legislative process.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2237, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2237, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 284-14 Public Safety on H.B. No. 2243

The purpose of this measure is to increase the State's public safety by, among other things:

- (1) Allowing qualified entities that may be non-governmental agencies to request state and national fingerprint-based criminal history record checks on their applicants, employees, and volunteers who provide care for children, vulnerable adults, or the disabled; and
- (2) Allowing those entities to receive the results of the check directly.

The Department of the Attorney General and Department of Human Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2243 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 285-14 Public Safety on H.B. No. 1717

The purpose of this measure is to establish guidelines and limitations for the post-conviction retention of biological evidence by law enforcement agencies and the courts.

The Department of the Attorney General; Department of the Prosecuting Attorney of the City and County of Honolulu; Department of the Prosecuting Attorney, County of Maui; Office of the Prosecuting Attorney, County of Kauai; Police Chiefs of Hawaii Association; Maui Police Department; and Hawaii Police Department testified in support of this measure. The Community Alliance on Prisons testified in opposition to this measure. The Judiciary provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date of this measure to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1717, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1717, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 286-14 Public Safety on H.B. No. 2333

The purpose of this measure is to expand and strengthen the Statewide Integrated Sex Offender Treatment Program by:

- (1) Specifying adult and juvenile sex offenders as participants of the Program;
- (2) Ensuring a consistent focus on the assessment, evaluation, treatment, and supervision of sex offenders, when developing the comprehensive statewide master plan, the statewide integrated system, training and education programs, and standards and guidelines;

- (3) Employing a best practices philosophy in providing a continuum of programs under the comprehensive statewide master plan;
- (4) Identifying the Program's coordinating body as the "Sex Offender Management Team"; and
- (5) Exempting the Program from the requirements of Chapter 92, Hawaii Revised Statutes, relating to public agency meetings and records, because of the sensitive nature of the population involved.

The Department of Public Safety and a concerned individual supported this measure. The Judiciary and the Community Alliance on Prisons opposed this measure. The Office of Information Practices offered comments on this measure.

Your Committee has amended this measure by:

- (1) Removing juvenile sex offenders as participants of the Program;
- (2) Specifying, for purposes of the exemption from Chapter 92, that the exemption is from Part I of that chapter; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2333, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2333, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 287-14 Public Safety on H.B. No. 2521

The purpose of this measure is to protect public health and safety by appropriating funds to be expended by State Civil Defense for the removal of dangerous trees or branches on private property that pose a hazard, as currently authorized pursuant to section 128-10.3, Hawaii Revised Statutes, relating to the mitigation of hazardous situations.

State Civil Defense and several concerned individuals supported this measure.

Your Committee has amended this measure by expanding its scope to allow the use of the appropriated funds for other purposes currently authorized pursuant to section 128-10.3, Hawaii Revised Statutes, namely, to stabilize or remove unstable rock or soil hazards, and to clean streams and waterways to mitigate or prevent flooding or other disasters.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2521, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2521, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi, Yamane and McDermott.

SCRep. 288-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2622

The purpose of this measure is to protect Hawaii's marine environment by establishing the Coral Reef and Marine Life Conservation Special Fund to collect moneys to be used for the conservation, supplementation, and enhancement of the State's coral reefs and other marine resources.

An individual provided testimony in support of this measure. The Department of Land and Natural Resources and an individual provided testimony in opposition to this measure. The Office of Hawaiian Affairs and Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2622, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2622, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Nishimoto.

SCRep. 289-14 Transportation on H.B. No. 2064

The purpose of this measure is to establish an income tax credit for taxpayers who purchase bus passes or passes for a public transportation program.

The Department of Taxation commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the cap on the total allowable individual credit amount and specifying that the amount shall be calculated based on actual expenditures and qualified exemptions;
- (2) Limiting the tax credit's availability to taxpayers with an adjusted gross income of \$100,000 or less;
- (3) Removing the provision allowing employers to claim the credit; and
- (4) Changing the effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2064, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2064, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 290-14 Transportation on H.B. No. 2273

The purpose of this measure is to authorize the Motor Vehicle Repair Industry Board to enter into agreements with entities, educational institutions, or other organizations, as necessary, to ensure that motor vehicle mechanics' knowledge of motor vehicle repairs are current and in line with industry standards.

The Motor Vehicle Repair Industry Board testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2273 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 291-14 Transportation on H.B. No. 2348

The purpose of this measure is to amend or delete statutes containing federal commercial driver's licensing requirements that are addressed in the Hawaii Administrative Rules.

The Department of Transportation; City and County of Honolulu, Division of Motor Vehicle, Licensing and Permits Administration; and Hawaii Transportation Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2348 and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 292-14 Transportation on H.B. No. 2350

The purpose of this measure is to increase public safety and clarify existing law regarding the storage of open alcoholic beverage containers in a motor vehicle to meet federal requirements to qualify for federal highway safety funds. Specifically, this bill:

- (1) Clarifies the conditions under which open alcoholic beverage containers may be kept in a vehicle not equipped with a trunk; and
- (2) Specifically exempts the living quarters of a recreational vehicle, house coach, or house trailer, and any passenger within such a vehicle, from the open alcoholic beverage container prohibition for vehicles on any public street, road, or highway or at any scenic lookout.

The Department of Transportation and Mothers Against Drunk Driving testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2350 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 293-14 Education on H.B. No. 1551

The purpose of this measure is to establish within the Department of Education an Instructional Office of Hawaiian Studies to provide instruction to public school students on Hawaiian history, culture, arts, and language and to oversee Hawaiian education programs in the public schools.

The Hawaii State Teachers Association and several concerned individuals supported this measure. The Center for Hawaiian Sovereignty Studies

supported this measure with amendments. A concerned individual opposed this measure. The Department of Education submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1551 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 294-14 Education on H.B. No. 1662

The purpose of this measure is to designate the month of October as "Farm to School Month in Hawaii" to promote public awareness of the Farm to School initiative that connects schools and local farms in order to encourage healthy meals in school cafeterias; support local farmers; as well as provide agricultural, health, and nutrition education opportunities.

The Department of Agriculture, Council Member representing District 9 on the Hawaii County Council, Hawaii Association of Independent Schools, Hawaii Farm to School and School Garden Hui, Aina in Schools, Kokua Hawaii Foundation, PAN North America, Farm to Keiki, and numerous concerned individuals supported the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1662 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee except Representatives Awana, Hanohano, Say and Takai.

SCRep. 295-14 Education on H.B. No. 1971

The purpose of this measure is to allow administrative, support, and instructional employees in charter schools to receive sick leave, vacation, and leave-sharing benefits as well as additional support and incentives offered by the Department of Education, including hard-to-staff incentives, National Board certification incentives, special education teacher incentives, bonuses for completion of probation, and teacher licensing fees.

The Department of Education, Hawaii State Teachers Association, Hawaii Government Employees Association, United Public Workers, and a concerned individual supported the measure. The State Public Charter School Commission, Hawaii Public Charter Schools Network, and Hookakoo Corporation submitted comments.

Your Committee has amended this measure by adding that the provisions of any collective-bargaining supplemental agreements will also apply to administrative, support, and instructional employees of charter schools.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1971, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1971, H.D. 2.

Signed by all members of the Committee except Representative Takai.

SCRep. 296-14 Education on H.B. No. 1988

The purpose of this measure is to improve access to nutritious foods in public educational institutions and develop the agricultural workforce for the benefit of local farmers and consumers by establishing the Hawaii Farm to School Program within the Department of Agriculture.

The Council Member representing District 9 on the Hawaii County Council, Hawaii Association of Independent Schools, Kokua Hawaii Foundation, Hawaii Farm to School and School Garden Hui, Kohala Center, Hawaii Island School Garden Network, Farm to Keiki, and numerous concerned individuals supported the measure. The Hawaii Farm Bureau supported the intent of the measure. The Department of Agriculture, College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa, and a concerned individual submitted comments.

Your Committee has amended this bill by removing the coordination of agricultural education in schools throughout Hawaii from preschool through high school and at the university level as one of the functions of the Hawaii Farm to School Program.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1988, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1988, H.D. 1.

Signed by all members of the Committee except Representatives Hanohano, Say and Takai.

SCRep. 297-14 Education on H.B. No. 2576

The purpose of this measure is to support charter schools in Hawaii by establishing an income tax credit for contributions of money or in-kind goods and services for the development of charter school facilities.

The State Public Charter School Commission, Hawaii Public Charter Schools Network, Hawaii State Teachers Association, and two concerned individuals supported the measure. The Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii submitted comments. Rainbow Family 808 and a concerned individual opposed the measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the State must not provide more than an unspecified sum in tax credits for contributions of in-kind services in Hawaii for the development of charter school facilities;
- (2) Requiring the State Public Charter School Commission, rather than the Department of Education, to, among other things:
 - (A) Maintain records of;
 - (B) Verify;
 - (C) Total; and
 - (D) Certify, contributions of in-kind goods and services for the development of charter school facilities; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2576, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2576, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 298-14 Judiciary on H.B. No. 1604

The purpose of this measure is to encourage compliance with campaign finance laws by providing that certificates of election will only be delivered after the person elected has filed disclosure reports and paid any fines assessed by the Campaign Spending Commission.

The Campaign Spending Commission testified in support of this measure. The League of Women Voters provided comments.

Your Committee has amended this measure by clarifying that the reports required for delivery of certificates of election are reports filed in accordance with sections 11-331 and 11-333, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1604, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1604, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Ito, Lee and McDermott.

SCRep. 299-14 Judiciary on H.B. No. 2080

The purpose of this measure is to expand the offense of theft in the second degree to include the theft of personal electronic devices that may be used to store or retrieve personal information.

The Office of the Public Defender testified in opposition to this bill. The Department of the Prosecuting Attorney of the City and County of Honolulu provided comments on this bill.

Your Committee has amended this measure by using the broader term "computer" as defined under section 708-890, Hawaii Revised Statutes, rather than listing the electronic devices covered by the offense.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2080, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2080, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Ito, Lee and McDermott.

SCRep. 300-14 Housing/Human Services on H.B. No. 1841

The purpose of this measure is to provide additional housing opportunities for homeless families and individuals by establishing the Hale Kokua Program within the Department of Human Services and appropriating funds for the Program.

The Community Alliance for Mental Health and several concerned individuals supported this bill. The Department of Human Services opposed this bill. A concerned individual commented on this bill.

Your Committees have amended this measure by:

- (1) Establishing the Hale Kokua Program as a housing option under the Housing First Program instead of as a stand-alone project;
- (2) Eliminating property tax waivers or reductions as potential incentives to homeowners;

- (3) Requiring the Department to create a registry of property owners who are willing to participate in the Program; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

Your Committees respectfully request that should the Committee on Finance choose to hear this measure, the Committee on Finance determine whether this project is feasible.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1841, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1841, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Jordan and Matsumoto.

SCRep. 301-14 Education on H.B. No. 1676

The purpose of this measure is to expand access to early childhood education in Hawaii by authorizing the Executive Office on Early Learning to enter into agreements with the Department of Education or any public charter school to use vacant or underutilized classrooms for public preschool classrooms.

The Executive Office on Early Learning, Department of Education, Department of Human Services, State Public Charter School Commission, Kualapu'u Public Conversion Charter School, Hawaii Association of Independent Schools, Good Beginnings Alliance, Hawaii Community Foundation, The Chamber of Commerce of Hawaii, Democratic Party of Hawaii, The Pacific Resource Partnership, Kamehameha Schools, Hui for Excellence in Education, PHOCUSED, Ho'okako'o Corporation, Institute for Native Pacific Education and Culture, and numerous concerned individuals supported the measure. The Hawaii Association for the Education of Young Children supported the intent of the measure. The Hawaii State Teachers Association supported the measure with amendments. A concerned individual opposed the measure.

Your Committee has amended the measure by:

- (1) Clarifying that the Executive Office on Early Learning is also authorized to use classrooms currently being used for preschool, in addition to vacant or underutilized classrooms, for public preschool classrooms; and
- (2) Allowing the Executive Office on Early Learning to enter into memorandums of agreement, in addition to contracts, with the Department of Education and public charter schools for use of their classrooms.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1676, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1676, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Say and Takai.

SCRep. 302-14 Education on H.B. No. 1756

The purpose of this measure is to create opportunities for the youth of Hawaii to develop competencies that foster resiliency and enable them to achieve a successful transition to young adulthood by:

- (1) Statutorily establishing the Resources for Enrichment, Athletics, Culture, and Health (R.E.A.C.H.) Program within the Office of Youth Services to provide after-school programs in public middle and intermediate schools;
- (2) Establishing the R.E.A.C.H. Program Revolving Fund to help meet the costs of administering and operating the program; and
- (3) Appropriating funds to establish and operate the R.E.A.C.H. Program and to hire a full-time equivalent (1.0 FTE) position for the Office of Youth Services to support the program.

The Office of the Lieutenant Governor, Department of Education, Office of Youth Services, Office of Hawaiian Affairs, Hawaii Youth Services Network, REACH Out Hawaii, Hui for Excellence in Education, Oceanic Time Warner Cable, Kahoomiki, Afterschool Alliance, and two concerned individuals supported the bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1756, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Say and Takai.

SCRep. 303-14 Education on H.B. No. 2598

The purpose of this measure is to support public schools in Hawaii by:

- (1) Renaming the Hawaii 3R's School Repair and Maintenance Fund as the Hawaii 3R's School Improvement Fund; and
- (2) Requiring the transfer to the Fund of:

- (A) Moneys received from state income tax refund check-offs; and
- (B) Any other moneys received by the Department of Education from grants and donations for school-level improvements and minor repairs and maintenance.

The Department of Education, Hawaii 3R's, the Councilmember representing District IV on the Honolulu City Council, and two concerned individuals supported the measure. Hawaiian Electric Company supported the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2598 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Hanohano, Say and Takai.

SCRep. 304-14 Legislative Management on H.B. No. 1122

The purpose of this measure is to provide funding for the establishment and operation of a gift shop in the State Capitol to help visitors remember Hawaii through mementos of historical significance and to raise revenues for the State.

An individual testified in support of this measure. The Department of Accounting and General Services testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date of this measure to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1122, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1122, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Saiki.

SCRep. 305-14 Legislative Management on H.B. No. 2611

The purpose of this measure is to establish a State Capitol Management Committee to oversee the financing and governance of the State Capitol, including capitol security, maintenance, and the setting of both fiscal and operational priorities.

The House Sergeant-at-Arms, Department of Accounting and General Services, and Department of Public Safety testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2611 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Saiki.

SCRep. 306-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1770

The purpose of this measure is to continue to honor and recognize Hawaii residents who have served in the armed forces by allowing applicants for a driver's license or State identification card to have their veteran status added to the information on these forms of identification.

The Office of Veterans Services, Department of Customer Services of the City and County of Honolulu, The Chamber of Commerce of Hawaii, Advisory Board on Veterans' Services, Hawaii Alliance of Student Veterans, and a concerned individual testified in support of this bill.

Your Committee notes that the Department of Customer Services of the City and County of Honolulu stated that they would need time to implement the requirements contained in this measure. Accordingly, your Committee has amended this bill by changing its effective date to October 1, 2014, to provide the Department with this additional time.

Your Committee also made technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1770, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1770, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 307-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2051

The purpose of this measure is to continue the work initiated to honor the late U.S. Senator Daniel K. Inouye and the late U.S. Representative Patsy T. Mink through commissioning permanent works of art to honor their legacies and their contributions to the people of Hawaii. Specifically, this

measure amends Act 281, Session Laws of Hawaii 2013, by:

- (1) Clarifying that the permanent work of art portraying the life, vision, accomplishments, impact and legacy of Senator Daniel K. Inouye need not be a three-dimensional work of art;
- (2) Clarifying that the designs for the works of art portraying Senator Daniel K. Inouye and Representative Patsy T. Mink need not include their likeness at some stage of their life;
- (3) Deleting the requirement that the work of art portraying Senator Daniel K. Inouye be installed for unveiling on the second anniversary of his death;
- (4) Stipulating that an adequate sum rather than \$250,000 be appropriated for the 2013-2015 fiscal biennium to commission the works of art; and
- (5) Changing the expending agency for the funds for the commissioning of artwork from the Department of Accounting and General Services to the State Foundation on Culture and the Arts.

The Department of Accounting and General Services and two concerned individuals testified in support of this bill.

Your Committee has amended this measure by:

- (1) Retaining the requirement that the work of art portraying Senator Daniel K. Inouye be installed for unveiling on the second anniversary of his death;
- (2) Leaving the appropriation amounts provided in Act 281, Session Laws of Hawaii 2013, of \$250,000 for Fiscal Years 2013-2014 and 2014-2015, unchanged, rather than stipulating that the appropriated amount should be an adequate sum;
- (3) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2051, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2051, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 308-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2073

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation New Dawn, and Operation Enduring Freedom, and service members who engaged in the Global War on Terrorism, Homeland Defense, and Operation Noble Eagle, as well as those who have protected our borders by land, sea, and air by appropriating \$5,000,000 for the planning, design, and construction of:

- (1) The Hawaii Gulf War Memorial on the grounds of the Hawaii State Veterans Cemetery in Kaneohe, on the island of Oahu; and
- (2) Replicas of the Memorial to be located on the grounds of state veterans' cemeteries statewide.

The Office of Veterans Services, Department of Accounting and General Services, Veterans of Foreign Wars of the United States, Advisory Board on Veterans' Services, and several concerned individuals testified in support of this bill.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount for the planning, design, and construction of the Hawaii Gulf War Memorial from \$5,000,000 to an unspecified amount;
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$5,000,000 for the planning, design, and construction of the Hawaii Gulf War Memorial and its replicas.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2073, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2073, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 309-14 Economic Development & Business on H.B. No. 2471

The purpose of this measure is to continue to support small business vendors while increasing government efficiency by increasing the threshold requiring compliance verification with all business laws in the State by a procurement officer for the small purchase method of procurement within the scope of the Hawaii Compliance Express.

The Department of Budget and Fiscal Services of the City and County of Honolulu testified in support of this bill. The Tax Foundation of Hawaii provided comments.

The Hawaii Compliance Express, launched in 2005, is an electronic system that allows vendors doing business with state or county agencies to quickly and easily obtain proof that they are compliant with all applicable laws. By providing an online "Certificate of Vendor Compliance", Hawaii Compliance Express provides an expeditious method by which a vendor can furnish this proof to a contracting agency. This single certificate eliminates the need to obtain individual hard copies of certificates from the Internal Revenue Service, Department of Taxation, Department of Labor and Industrial Relations, and Department of Commerce and Consumer Affairs, thus saving the vendor time and money in the contracting process.

When the Hawaii Compliance Express was initially established, a vendor had to provide proof of compliance to receive a contract in excess of \$15,000. Act 190, Session Laws of Hawaii 2011, reduced this amount to \$2,500. However, lowering this threshold affected state and county agencies, slowing the processing of smaller contracts. Increasing the threshold to \$5,000 will still provide economic opportunities to small businesses while allowing government agencies to operate more quickly and efficiently.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2471 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and Wooley.

SCRep. 310-14 Economic Development & Business on H.B. No. 2518

The purpose of this measure is to review and update the State Planning Act and continue efforts to develop goals and policies to guide the development of the State. Specifically, this bill requires and provides funding for the Office of Planning to, among other things, review the Hawaii State Planning Act and report to the Legislature its recommendations for updating the Plan to appropriately address state needs.

The Office of Planning, Enterprise Honolulu, and The Nature Conservancy testified in support of this bill.

In 1978, efforts were made to improve the planning process in the State to increase the effectiveness of government and private actions, improve coordination among different agencies and levels of government, provide for wise use of Hawaii's resources and guide the future development of the State. These efforts resulted in the enactment of the State Planning Act which sets forth the Hawaii State Plan. The Hawaii State Plan articulates goals and policies to guide the development of the State and establishes an integrated planning and implementation system to deliver on those policies.

According to the Office of Planning, the last review of the State Planning Act was initiated in 1983 and completed in 1985, and resulted in the enactment of several pieces of legislation that amended the State Planning Act. Since then, there have been significant changes in Hawaii's economic, physical, and social conditions; technology; and the global marketplace, as well as in the constraints and opportunities the State faces as it plans for the future. Thus, your Committee finds that, a comprehensive review of the State Planning Act is warranted.

Your Committee has amended this measure by:

- (1) Changing the amount appropriated for the review to an unspecified sum; and
- (2) Making its effective date January 20, 2050, to facilitate further discussion.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$500,000 for fiscal year 2014-2015 for the Office of Planning to conduct the review of the Hawaii State Planning Act.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2518, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2518, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola and Wooley.

SCRep. 311-14 Economic Development & Business on H.B. No. 2254

The purpose of this measure is to maintain Hawaii's reputation as a world class filming destination by making permanent the exemption that allows film production permit holders to use thrill craft in non-designated areas of State waters as approved by the Department of Land and Natural Resources (DLNR).

The Department of Business, Economic Development, and Tourism (DBEDT) and DLNR testified in support of this bill.

Hawaii's has a global reputation as a world class filming destination because of its world renowned surf, pristine waters, and expert water safety professionals. Many film shoots include water scenes that often use thrill craft for water safety purposes, for use as picture vessels, for the transport of cast and crew members, or for camera positioning. While the operation of thrill craft does have safety risks, the safety record of thrill craft used as tools in film shoots has been impeccable. According to both DBEDT and DLNR, 196 film permits for the use of jet skis for filming operations were issued over the past

four fiscal years and to date there have been no reports of any incidents or accidents involving those jet skis. Making permanent the exemption that allows film production permit holders to use thrill craft in non-designated areas of State waters will help to maintain Hawaii's reputation as a world class filming destination.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2254 and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 312-14 Economic Development & Business on H.B. No. 2183

The purpose of this measure is to protect wildlife and promote animal welfare, especially among endangered species, by prohibiting any person from importing, selling, offering to sell, or possessing with intent to sell, any ivory product.

The Humane Society of the United States, Advocates Hawaii, and several hundred concerned individuals submitted testimony in support of this bill. The Department of Land and Natural Resources submitted comments.

The high price of ivory, driven by increased consumer demand, has led to the indiscriminate killing of animals, particularly the African elephant. It has been estimated that thirty-five thousand African elephants were slaughtered in 2012 by poachers and other groups intent on selling their ivory for large profits. With the increase in black market trade of ivory through internet sales, world-wide ivory trafficking is at the highest recorded rate ever. Sadly, Hawai'i is the third-highest retailer of elephant ivory in the United States. Prohibiting the sale of ivory is a major impediment to the ivory trade and will go a long way to saving the critically endangered African elephant.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2183 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 313-14 Economic Development & Business on H.B. No. 2150

The purpose of this measure is to stimulate economic growth for the State and continue to develop the State's emerging aerospace sector by appropriating funds to support the Pacific International Space Center for Exploration Systems' Planetary Sustainability Technologies Initiative with the State of California with certain stipulations, including matching fund requirements.

Hawaii County Council Member representing Council District 3, Paragon Space Development Corporation, The Pacific International Space Center for Exploration Systems, Near Earth LLC, Shackleton Energy Company, International Ventures Associates, JAMSS America Inc., Ferraro Choi, and several concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism and University of Hawaii at Hilo testified in support of the intent of this measure.

Aerospace technology research and development is a rapidly growing industry that has numerous potential, especially in light of the fact that the National Aeronautics and Space Administration is working to improve technologies for sustaining human exploration for increasingly greater distances and durations beyond Earth. Technological developments in the aerospace industry may also have widespread applications on Earth. By engaging in applied research and development to demonstrate and evaluate these technologies, the State will not only leverage its unique geographical resources to significantly advance the frontiers of space, but also enable local developers to evaluate how these technologies could be adapted to promote near-term terrestrial applications statewide, as well as around the globe.

Currently, legislation is pending in California that will appropriate funds to allow collaboration with the State of Hawaii to develop and promote self-sufficient technologies, with the goal of leveraging both National Aeronautics and Space Administration and private sector assets and expertise. The funds appropriated in this measure will allow Hawaii to work in partnership with California to increase and accelerate the development of sustainable measures and strategies for energy efficiency, renewable energy development, water use efficiency, waste management, and sustainable construction. Development of these technologies have the potential to provide new market and manufacturing areas for the State, further diversifying the State's economy.

Your Committee has amended this measure by:

- (1) Changing the appropriation for the sustainability technologies initiative with the State of California from \$250,000 to an unspecified sum;
- (2) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$250,000 for Fiscal Year 2014-2015 to support the Pacific International Space Center for Exploration Systems' Planetary Sustainability Technologies Initiative with the State of California.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2150, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2150, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 314-14 Economic Development & Business on H.B. No. 2151

The purpose of this measure is to stimulate economic growth and continue to develop the State's emerging aerospace sector by appropriating funds, with matching fund requirements, to support a joint National Aeronautics and Space Administration and Pacific International Space Center for Exploration Systems engineering assessment and study of the proposal to establish a laser optical communications ground station in Hawaii.

The Department of Commerce and Consumer Affairs, Paragon Space Development Corporation, Pacific International Space Center for Exploration Systems, Near Earth LLC, Shackleton Energy Company, Inc., International Ventures Associates, JAMSS America, Inc., and several concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism, and the University of Hawaii at Hilo testified in support of the intent of this measure.

Aerospace technology research and development is a rapidly growing industry that has much potential. Technological developments in the aerospace industry may also have widespread applications on Earth.

Recently, the National Aeronautics and Space Administration embarked on the development of innovative and advanced technologies to support laser communications between spacecraft and Earth which has been necessitated by the ever increasing data rate requirements from more sophisticated instruments on spacecraft, requirements that radio frequency communications currently used cannot meet. In a detailed statistical analysis of weather patterns conducted by the National Aeronautics and Space Administration, it was determined that Hawaii would be the best location for the National Aeronautics and Space Administration's first operational laser communications station in a planned global network of laser communication ground stations. This initiative will not only impact spacecraft communications but will also provide opportunities for improvements in Hawaii's broadband and fiber optic infrastructure which will have a positive effect on the State's economic future.

Your Committee has amended this measure by:

- (1) Changing the appropriation for the study and assessment from \$500,000 to an unspecified sum;
- (2) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$500,000 for fiscal year 2014-2015 to support a joint National Aeronautics and Space Administration and Pacific International Space Center for Exploration Systems engineering assessment and study of a proposal to establish a laser optical communications ground station in Hawaii.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2151, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2151, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 315-14 Economic Development & Business on H.B. No. 2152

The purpose of this measure is to stimulate economic growth for the State and continue to develop the state's emerging aerospace sector by:

- (1) Appropriating general funds to support various administrative and general tasks, and specific strategic program initiatives, of the Pacific International Space Center for Exploration Systems; and
- (2) Authorizing the issuance of general obligation bonds to support the development of a research and development park for the Pacific International Space Center for Exploration Systems.

The Hawaii County Council Member representing Council District 3, Paragon Space Development Corporation, Pacific International Space Center for Exploration Systems, Near Earth LLC, Shackleton Energy Company, Inc., International Ventures Associates, JAMSS America, Inc., and several concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism, and the University of Hawaii at Hilo testified in support of the intent of this measure.

Research and development in areas of planetary sustainability and resource utilization continue to demonstrate considerable potential for advancing dual-use technologies that can assist the State in becoming increasingly self-sufficient in renewable energy, broadband communications, advanced manufacturing, and other critical areas for development, as well as provide multiple opportunities for economic and workforce development through strategic partnerships with public and private research and development groups worldwide.

The Pacific International Space Center for Exploration Systems continues to explore and pursue research and development programs for planetary surface system technologies in several strategic areas and work towards the ultimate goal of establishing Hawaii as an industry leader in aerospace development. The funds appropriated and authorized by this measure are intended to assist the Pacific International Space Center for Exploration Systems in these efforts.

Your Committee has amended this bill by:

- (1) Changing the general fund appropriation amount from \$1,375,738 to an unspecified sum;
- (2) Changing the amount of general obligation bonds authorized to be issued from \$1,500,000 to an unspecified amount;
- (3) Changing its effective date to January 20, 2050, to facilitate further discussion; and

- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider:

- (1) Appropriating \$1,375,738 in general funds to support various administrative and general tasks, and specific strategic program initiatives, of the Pacific International Space Center for Exploration Systems; and
- (2) Authorizing the issuance of \$1,500,000 in general obligation bonds to support the development of a research and development park for the Pacific International Space Center for Exploration Systems.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2152, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2152, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 316-14 Economic Development & Business on H.B. No. 2282

The purpose of this measure is to move Hawaii towards a more diversified economy and assist small businesses conducting innovative research with their efforts toward commercialization by:

- (1) Adding the receipt of Phase II or III Small Business Innovation Research awards or contracts from any participating federal agency to the qualifying criteria for businesses to receive grants from the High Technology Development Corporation; and
- (2) Increasing the ceiling on transfers from the Hawaii Capital Loan Revolving Fund for the High Technology Development Corporation to provide grants from \$100,000 to \$500,000.

The Office of the Governor, High Technology Development Corporation, Oceanit, Trex Enterprises, TeraSys Technologies, and several concerned individuals testified in support of this measure.

Since 1989, the High Technology Development Corporation has been assisting Phase I Small Business Innovation Research awarded companies reach their commercial potential through the provision of grants. This has proven to be successful for both the business awarded the grant and the State given that every dollar invested through this grant program has been leveraged to attract approximately \$16 in federal funds as well as commercialization funding. Expanding the scope of the grant program will allow for more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

Your Committee has amended this measure by:

- (1) Changing the increase in the ceiling on transfers from the Hawaii Capital Loan Revolving Fund for the High Technology Development Corporation to provide grants from \$500,000 to an unspecified amount;
- (2) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider increasing the ceiling on the transfer of funds for the provision of grants from \$100,000 to \$500,000.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2282, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2282, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 317-14 Economic Development & Business on H.B. No. 2253

The purpose of this measure is to strengthen the film industry in Hawaii and enhance creative sector growth by providing the Department of Business, Economic Development, and Tourism with a means to maintain the Hawaii Film Studio and its support programs. Among other things, this bill:

- (1) Renames the Hawaii Television and Film Development Special Fund to the Hawaii Film and Digital Media Development Special Fund;
- (2) Requires revenues, fees, and charges from the rental of the Hawaii Film Studio, the processing of film permits, and the processing of the motion picture, digital media, and film production income tax credit to be deposited into the Special Fund;
- (3) Deletes provisions relating to the Hawaii Television and Film Development Board, which is no longer active and which no longer serves its intended purpose as a funding mechanism for entertainment projects;
- (4) Requires monies in the Special Fund to be used by the Department of Business, Economic Development, and Tourism to operate, repair, and maintain the Hawaii Film Studio; to support the operations of the Hawaii Film Office; for programs and initiatives for digital industry media development; and for internships and training programs to expand the skill sets of the Hawaii resident

workforce in the film and digital media industry;

- (5) Repeals the Hawaii Television and Film Development Board and various duties of the Board; and
- (6) Appropriates general funds into the Special Fund and appropriates monies out of the Special Fund to maintain the Hawaii Film Studio and its support programs.

The Department of Business, Economic Development, and Tourism testified in support of this bill.

Hawaii has the status of being a dynamic and stunning film production center and is also blessed with a vibrant and growing entertainment economy. According to the Department of Business, Economic Development, and Tourism, film production activity is on the rise and on course to increase in 2014. This rise in activity is expected to have a positive impact on the economy of Hawaii through job creation, increased tax revenues, and providing Hawaii's visitor industry with priceless marketing exposure on a global scale throughout the year. However, the costs to support, manage, and maintain programs tasked with promoting and developing Hawaii as a film destination as well as the costs associated with maintaining the Hawaii Film Studio exceed present allocated funding. This measure provides a dedicated source of funding for this purpose.

Your Committee has amended this bill by:

- (1) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2253, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2253, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 318-14 Economic Development & Business/Agriculture on H.B. No. 2468

The purpose of this measure is to continue to support agriculture as an economic driver in the State, particularly for the island of Hawaii, through growth and diversification of the agricultural industry. Specifically, this bill:

- (1) Authorizes the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform:
 - (A) Planning and feasibility studies for one or more quarantine inspection, quarantine treatment, deconsolidation, and consolidation facilities on the island of Hawaii; and
 - (B) A marketing and economic impact analysis for one or more of the facilities;
- (2) Requires the Department of Business, Economic Development, and Tourism to submit a report to the Legislature on the studies and analysis; and
- (3) Appropriates funds for the economic analysis.

The Department of Business, Economic Development, and Tourism, Department of Agriculture, Hawaii Floriculture and Nursery Association, Hawaii Farm Bureau Federation, and two concerned individuals testified in support of this bill.

Agriculture has been, and continues to be, a major economic driver for the Island of Hawaii. In the Statewide Comprehensive Economic Development Strategy report prepared by the Department of Business, Economic Development, and Tourism, it was determined that Hawaii Island's strong orientation toward diversified agriculture would be greatly served by the development of a central marketing facility for collection, consolidation, packing, and shipping of agricultural products. Development of such a facility would go a long way toward strengthening the economy of the Island of Hawaii as well as the State.

Should the Committee on Finance deliberate on this measure, your Committees respectfully request that it consider appropriating \$200,000 for Fiscal Year 2014-2015 for the Department of Business, Economic Development, and Tourism to perform the planning, marketing, and economic analysis contained in this measure.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2468 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola, Tokioka and Wooley.

SCRep. 319-14 Human Services/Labor & Public Employment on H.B. No. 2296

The purpose of this measure is to enable the Department of Human Services to more effectively administer the Department's programs and better serve poor and vulnerable adults and children statewide by restoring the position of Second Deputy Director of the Department.

The Department of Human Services and Department of Human Resources Development supported this bill.

Your Committees respectfully note that should your Committee on Finance choose to consider this measure, there are technical errors which should be corrected.

As affirmed by the records of votes of the members of your Committees on Human Services and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2296 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Jordan, Takumi and Yamane.

SCRep. 320-14 Human Services on H.B. No. 2502

The purpose of this measure is to protect children from emotional trauma or further abuse by including a conviction for incest by a natural parent as a reason courts may terminate parental rights or deny custody or visitation rights.

The Sex Abuse Treatment Center and a concerned individual supported this bill.

Your Committee finds this measure meritorious and wishes to ensure that it moves through the legislative process. However, should your Committee on Judiciary choose to consider this measure, attention should be given to correcting existing technical flaws.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2502 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Jordan and Fukumoto.

SCRep. 321-14 Human Services on H.B. No. 2505

The purpose of this measure is to help protect children from danger and wrongdoing by placing an affirmative duty on parents, legal guardians, and other caregivers to verify the safety and whereabouts of a child who has been missing for over 48 hours and to provide accurate information to law enforcement authorities regarding a missing or deceased child in a timely manner.

This measure makes it a class C felony if a parent, legal guardian, or other person legally charged with the care and custody of a child:

- (1) Fails to report a missing child to a law enforcement agency after the child has been missing for a 48-hour period;
- (2) Fails to report the death of a child under their custody to a law enforcement agency within two hours of discovering the child's death; or
- (3) Knowingly provides false information to law enforcement officials involved in a missing person investigation or a felony criminal investigation involving a child that was in their care.

No testimony was received on this measure.

Your Committee respectfully notes that although no testimony was received on this measure, your Committee finds the subject matter to be meritorious and wishes to ensure that it moves through the legislative process for further discussion.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2505 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Jordan and Fukumoto.

SCRep. 322-14 Human Services on H.B. No. 1797

The purpose of this measure is to encourage voting among young adults by:

- (1) Requiring the Department of Education to provide high school seniors with voter registration information prior to graduation and authorizing the Department to assist students with registration; and
- (2) Requiring the Department of Human Services to provide young adults with information on voter registration and authorizing the Department to help those young adults with registration.

The Department of Education, Office of Elections, Hawaii Youth Services Network, and several concerned individuals supported this bill. The Department of Human Services supported the intent of the bill.

Your Committee has amended this measure by clarifying that the Department of Human Services will be required to provide young adults in the Young Adult Voluntary Foster Care Program with voter registration information and allow the Department to assist them with voter registration.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1797, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.B. No. 1797, H.D. 2.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 323-14 Human Services on H.B. No. 2290

The purpose of this measure is to eliminate fluctuations and uncertainty in monthly benefit amounts paid to disabled adults under the General Assistance Program by:

- (1) Allowing the Department of Human Services to draw from other funds appropriated to the Department in the event the General Assistance appropriation is insufficient to maintain General Assistance benefit payments; and
- (2) Allowing the Director of Human Services to consider all funds appropriated to the Department when determining the monthly allowance for General Assistance.

The Department of Human Services and Legal Aid Society of Hawaii supported this bill.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate discussion.

Your Committee notes that this measure is also referred to the Committee on Finance. Should the Committee on Finance consider this measure, your Committee is confident that the Committee on Finance will thoroughly examine the appropriateness of the bill's fiscal mechanisms to stabilize monthly benefit amounts under the General Assistance Program.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2290, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2290, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 324-14 Human Services on H.B. No. 2291

The purpose of this measure is to eliminate fluctuations in the amount of General Assistance payments made to disabled individuals by:

- (1) Establishing the Interim Assistance Reimbursement Special Fund, which will allow the Department of Human Services to retain interim assistance reimbursements received for a prior fiscal year, as opposed to the current requirement that these funds be deposited into the general fund;
- (2) Authorizing the Department to expend Interim Assistance Reimbursement funds for State-funded financial assistance payments and programs that support and assist recipients to qualify for Social Security Income; and
- (3) Appropriating funds for specified assistance programs.

The Department of Human Services and Legal Aid Hawaii supported this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2291, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2291, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 325-14 Human Services on H.B. No. 2298

The purpose of this measure is to provide a more supportive and child-friendly way of notifying minors of hearings under the Child Protective Act. This measure requires the petitioner to notify the child 24 hours in advance of a hearing instead of the current requirement that a summons be served by a law enforcement officer, which may be frightening and confusing to a child or embarrassing if it occurs at school.

The Department of the Attorney General and the Department of Human Services supported this bill. The Judiciary provided comments on this bill.

Your Committee has amended this measure by increasing the notice time to 48 hours from 24 hours for all hearings other than those for temporary foster custody.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2298, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2298, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 326-14 Human Services on H.B. No. 2659

The purpose of this measure is to provide early and effective treatment to reduce the likelihood of recidivism among youth in the justice system

by appropriating moneys to the Office of Youth Services for:

- (1) Mental health services;
- (2) Substance abuse treatment; and
- (3) Other services or interventions proven to reduce the likelihood of recidivism among court-involved youth or youth placed on probation.

The Judiciary, Office of the Governor, Department of Health, Office of Youth Services, Honolulu Police Department, Community Alliance on Prisons, Hawaii Youth Services Network, Hawaii Substance Abuse Coalition, and several concerned individuals supported this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2659, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2659, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 327-14 Human Services on H.B. No. 2249

The purpose of this measure is to ensure that public funds are not misappropriated for the benefit of individuals who are not eligible for medical assistance benefits by:

- (1) Clarifying that medical assistance fraud is a class C felony regardless of whether the person making a false statement or misrepresentation is a provider or a recipient;
- (2) Requiring a recipient of medical assistance benefits who is convicted of medical assistance fraud to pay restitution to the State equal to the amount of fraudulent benefits paid on their behalf;
- (3) Increasing the amount of time prosecutors have to prosecute cases of medical assistance fraud; and
- (4) Defining the term "Medical Assistance Benefit".

The Department of the Attorney General and Department of Human Services supported this bill.

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

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2249, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2249, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 328-14 Health on H.B. No. 1713

The purpose of this measure is to enhance the health and well-being of Hawaii's elderly population by:

- (1) Appropriating funds to support collaborative health care and social service agency community-based programs, including the Kupuna Care Program, Aging and Disability Resource Center, and the Department of Health's Executive Office on Aging's Health Aging Partnership Program; and
- (2) Requiring the Department of Health's Executive Office on Aging to conduct a public education and awareness campaign on long-term care and appropriating funds for this purpose.

The City and County of Honolulu Department of Community Services, County of Hawaii Office of Aging, American Council of Life Insurers, Policy Advisory Board for Elder Affairs (PABEA), Catholic Charities Hawai'i, PABEA Legislative Committee, Aloha United Way, ILWU Local 142, AARP, Hawaii Primary Care Association, and several individuals supported this measure. The Executive Office on Aging supports this measure as long as the measure's enactment does not reduce or replace the priorities in the Administration's Supplemental Budget request.

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

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 329-14 Health on H.B. No. 2040

The purpose of this measure is to improve the well-being and health outcomes of women, children, and families by, among other things:

- (1) Establishing a Comprehensive Maternal and Child Health Quality Improvement Program and Hawaii Maternal and Child Health Quality Improvement Collaborative (Collaborative) within the Department of Health;
- (2) Requiring the Department of Health to develop and publish a Statewide Comprehensive Maternal and Child Health Quality Improvement Strategic Plan;
- (3) Requiring hospitals to establish written policies regarding non-medically indicated induction of newborn deliveries prior to a specific time and according to guidelines adopted by the American College of Obstetricians and Gynecologists; and
- (4) Appropriating \$215,000 for the purposes of this measure.

The Executive Office on Early Learning, Family Voices of Hawai'i, Hawai'i Pacific Health, and an individual supported this measure. The Department of Health testified in support of the intent of this measure. Comments were received from the American Congress of Obstetricians and Gynecologists.

Your Committee has amended this bill by:

- (1) Eliminating the limit on the number of members participating on the Collaborative; and
- (2) Deleting the amount of the appropriation.

Should this bill be heard by the Committee on Finance, your Committee respectfully requests that it consider appropriating \$215,000 for Fiscal Year 2014-2015 to carry out the purposes of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2040, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2040, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 330-14 Health on H.B. No. 2305

The purpose of this measure is to authorize an emergency appropriation for the Developmental Disabilities Division of the Department of Health to continue to provide ongoing services to eligible persons with developmental disabilities who are in the Compact of Free Association population.

Pursuant to requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 187 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to appropriate emergency funds of \$500,000 in general funds needed for the Department of Health's Developmental Disabilities Division.

The Department of Health, State Council on Developmental Disabilities, Community Alliance for Mental Health, Family Voices of Hawaii, Hawaii Disability Rights Center, and an individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to encourage further discussion;
- (2) Changing the appropriation to an unspecified amount; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the House Committee on Finance deliberate on this measure, your Committee respectfully requests its consideration of an appropriation amount of \$500,000.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2305, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2305, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 331-14 Health on H.B. No. 2302

The purpose of this measure is to establish a behavioral support review process that allows the Department of Health to conduct multidisciplinary reviews of restraints or seclusion used on persons with developmental or intellectual disabilities. This measure also exempts agencies and individuals participating in these multidisciplinary reviews from civil or criminal liability for the use and review of information, records, and activities pertaining to the reviews.

The State Council on Developmental Disabilities and an individual supported this measure. The Hawaii Association for Justice opposed this

measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Judiciary hold a public hearing on this measure, your Committee respectfully requests it to consider the concerns raised in testimony of the Hawaii Association for Justice.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2302, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2302, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 332-14 Health on H.B. No. 2239

The purpose of this measure is to assist law enforcement by authorizing the Department of Health to:

- (1) Allow law enforcement officers to inspect public health statistics records; and
- (2) Issue certified copies of these records or parts of these records to law enforcement officers; provided, among other things, the records are needed by the law enforcement officer as evidence in a criminal investigation.

The Department of Health, Department of the Attorney General, Honolulu Police Department, Hawaii Police Department, and Maui Police Department supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2239 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 333-14 Health on H.B. No. 1854

The purpose of this measure is to protect public health and safety by designating odors, filth, and the infestation of rodents or pests that result from the storage of personal property that is not maintained or kept in good order as a nuisance for nuisance abatement purposes.

Several concerned individuals testified in support of this measure. The Department of Health testified in opposition to this measure. The Representative of House District 23 commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Health shall only invoke its authority to abate, destroy, remove, or prevent the nuisance if the person whose personal property is the cause of the nuisance:
 - (A) Has been subject to administrative fines totaling \$10,000 or more for the nuisance in a ten-year period; and
 - (B) Has not substantially remediated the nuisance within six months of the most recent administrative fine issued by the State or county;
- (2) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1854, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1854, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 334-14 Judiciary on S.B. No. 1170

The purpose of this measure is to strengthen the ability of the Board of Land and Natural Resources (Board) to enforce administrative penalties by empowering the Board to:

- (1) Authorize the performance of natural or cultural resource-related community service in lieu of or in addition to fines imposed by the Board;

- (2) Suspend or revoke Board-issued licenses or permits; and
- (3) Direct the denial of motor vehicle registration as a penalty, for the violation of rules or statutes related to conservation and resources, caves, or historic preservation.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, The Nature Conservancy, and two concerned individuals testified in support of this measure. Several concerned individuals testified in opposition to this measure.

Your Committee respectfully notes that granting the Board the ability to authorize community service in lieu of or in addition to fines imposed by the Board raises a potential 13th Amendment concern worthy of consideration, which came to your Committee's attention after decision-making. Should your Committee on Finance choose to consider this measure, your Committee respectfully requests that the Committee on Finance inquire further as to the constitutionality of imposing community service without the protection of the full judicial process.

Your Committee has amended this measure by:

- (1) Authorizing, rather than requiring, the county directors of finance to deny motor vehicle registration applications upon receipt of notice from the Board that a condition imposed by the Board has not been discharged;
- (2) Clarifying that the appropriate director of finance shall not approve an application for registration, which has been denied pursuant to a Board-imposed condition, until receipt of certification of satisfactory compliance from the Board; and
- (3) Limiting entities under which individuals may perform Board-ordered community service to state agencies.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1170, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1170, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Belatti.
(Representative McDermott voted no.)

SCRep. 335-14 Judiciary on H.B. No. 1669

The purpose of this measure is to assist the Family Court of the First Circuit in meeting its exceptional caseload by appropriating funds for the hire of an additional family court judge.

The Judiciary, Office of the Public Defender, and several concerned citizens testified in support of this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu provided comments.

Your Committee has amended this measure to provide additional funds for the hire of two clerks and one bailiff as support staff, bringing the total appropriation amount to \$290,868.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1669, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1669, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Ito, Lee and McDermott.

SCRep. 336-14 Judiciary on H.B. No. 1636

The purpose of this measure is to authorize the Department of Accounting and General Services and the Department of Land and Natural Resources, through administrative rule, and the Supreme Court, by rule of court, to establish and maintain a schedule of fees for services provided by those agencies related to the Land Court.

The Judiciary, Department of Accounting and General Services, and Department of Land and Natural Resources submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1636 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Ito, Lee and McDermott.

SCRep. 337-14 Water & Land on H.B. No. 1850

The purpose of this measure is to apply the conveyance tax to transfers or conveyance of a controlling interest in an entity with an interest in real property located in the State.

The Department of Land and Natural Resources, The Nature Conservancy, Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, Partners in Care, and PHOCUSED testified in support of this measure. The Chamber of Commerce of Hawaii and Land Use Research Foundation of Hawaii testified in opposition of this measure. The Department of Taxation, Hawaii Housing Finance and Development Corporation, Tax Foundation of Hawaii, and Alexander & Baldwin, Inc., provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1850, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1850, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 338-14 Water & Land on H.B. No. 1885

The purpose of this measure is to enhance opportunities for ocean and other recreation at Sand Island State Recreation Area by establishing the Sand Island Task Force within the Department of Land and Natural Resources to study the Sand Island Ocean Recreation Park Master Plan and appropriating funds for amenities at Sand Island and the operations of the State Parks Division.

The Department of Land and Natural Resources and one individual submitted comments on this measure.

Your Committee finds that this measure, as it was received by your Committee, created a task force and authorized expenditures based on a proposal that was never subjected to the necessary process to create an official Master Plan document and has never been considered by the Department as such. However, the Sand Island State Recreation Area is an important resource for the State and is one of the few locations available for ocean and land-based recreation for residents near Honolulu's urban core.

Therefore, your Committee has amended this measure by:

- (1) Deleting provisions that would have created the Sand Island Task Force and funded activities, including the general operations of the State Parks Division, in accordance with the purported Master Plan;
- (2) Appropriating funds for infrastructure planning for the passive recreation portion of Sand Island State Recreation Area;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1885, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1885, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Nishimoto.

SCRep. 339-14 Water & Land on H.B. No. 2127

The purpose of this measure is to establish the Public-Private Finance Initiative to facilitate contractual agreements with private sector interests on behalf of state agencies as a means for pursuing joint public-private financing, development, and management of State public works projects.

The Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; and Department of Accounting and General Services submitted comments on this measure.

Your Committee finds that public-private financing and management agreements are currently successfully undertaken at the state and local government levels in jurisdictions across the country. These types of financing agreements allow public agencies to significantly lower the start-up costs and risks of large public works construction projects and to outsource resource-intensive long-term maintenance functions for existing public works.

Your Committee notes the concerns raised by the Department of Land and Natural Resources regarding the exemption from chapter 171, Hawaii Revised Statutes, which provides for oversight of contracts involving public land by the Board of Land and Natural Resources. Your Committee agrees with the Department that fairness and accountability in transactions involving public land are of paramount concern. Your Committee encourages the Department to work with the Legislature and with proponents of this measure toward resolving this issue.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2127, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 340-14 Water & Land on H.B. No. 2177

The purpose of this measure is to establish a community food forest program in the Department of Land and Natural Resources to work with county agencies and community-based citizen groups to develop a network of community food forests that use underutilized public land to provide access to fresh, healthy produce throughout the State.

The Kohala Center-HISGN, Puna Pono Alliance, Ho'okipa Network – Kauai, Babes Against Biotech, Ohana O Kaua'i, and many individuals submitted testimony in support of this measure. The Department of Land and Natural Resources and three individuals submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that the Department may lease public land designated for community food forests to county agencies or community-based citizen organizations so that local agencies or organizations can assume the management and maintenance of community food forests in their communities; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2177, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2177, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 341-14 Water & Land on H.B. No. 1617

The purpose of this measure is to amend the definition of remnant for purposes of public land disposition by the Department of Land and Natural Resources to limit the types of public land that the Department may sell without recourse to public auction or legislative oversight.

Your Committee received testimony in support of this measure from the Office of Hawaiian Affairs; The Sierra Club, Hawaii Chapter; Ko'olaupoko Hawaiian Civic Club; and many individuals. The Department of Land and Natural Resources submitted testimony in opposition.

Your Committee has amended this measure by:

- (1) Clarifying that the Department must consider the current and future development potential of land and adhere to the State Constitution's mandate to conserve and protect natural resources for the benefit of current and future generations when designating a parcel of land as a remnant;
- (2) Specifying that land determined by the Attorney General to present a significant and unavoidable risk of liability to the State may be considered for designation as a remnant;
- (3) Prohibiting the designation of culturally significant land as a remnant;
- (4) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1617, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1617, H.D. 1, and be referred to the Committee on Finance.

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

SCRep. 342-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2551

The purpose of this measure is to allocate to the Department of Hawaiian Home Lands and the counties twenty percent each of royalties received by the State from geothermal resources development located on Hawaiian homelands.

The Department of Land and Natural Resources and Association of Hawaiian Civic Clubs provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies provided testimony in opposition to this measure. The Department of Hawaiian Home Lands provided comments on this measure.

Your Committee has amended this measure by allocating one hundred percent of royalties from geothermal resources development located on Hawaiian homelands to the Department of Hawaiian Home Lands.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2551, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2551, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Lowen, Nishimoto and Fale.

SCRep. 343-14 Labor & Public Employment on H.B. No. 2323

The purpose of this measure is to protect employees working on qualifying public works projects in the State by, among other things:

- (1) Specifying that the State's public works wages and hours law shall not be contravened or set aside by private agreement;
- (2) Increasing the prevailing wage penalty from \$1,000 to \$10,000 per project;
- (3) Increasing the prevailing wage penalty from \$100 to \$1,000 per day thereafter; and

- (4) Making general contractors secondarily liable for wages and penalties remaining unpaid by their subcontractors and agents 21 days after notice of violation is sent.

The Department of Accounting and General Services; Hawaii State AFL-CIO; Plumbers and Fitters United Association, Local 675; International Brotherhood of Electrical Workers, Local Union 1186; and an individual provided testimony in support of this measure. The General Contractors Association of Hawaii and Building Industry Association of Hawaii provided testimony in opposition to this measure. The Department of Labor and Industrial Relations provided comments on this measure.

Your Committee notes that according to the Department of Labor and Industrial Relations, secondary liability provisions for wages and penalties are usually included in contracts with general contractors. Your Committee further notes that placing these provisions in the Hawaii Revised Statutes will make a violation of such provisions a statutory violation, which will enable the Department to have greater oversight and ability to ensure compliance with wage and hour laws.

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

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2323, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2323, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ing and Yamane.

SCRep. 344-14 Labor & Public Employment on H.B. No. 2347

The purpose of this measure is to clarify that all Department of Taxation investigators shall have and may exercise all of the powers, authority, benefits, and privileges of a police officer or of a deputy sheriff, including the power to arrest, at all times.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii and Hawaii Government Employees Association provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2347, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2347, H.D. 2.

Signed by all members of the Committee except Representative Yamane.

SCRep. 345-14 Education on H.B. No. 1796

The purpose of this measure is to promote the safety and well-being of students, staff, and others by establishing policies and procedures for the use of restraint and seclusion in public schools.

The Department of Education, State Council on Developmental Disabilities, Hawaii Disability Rights Center, Special Education Advisory Council, and numerous concerned individuals supported this measure. The Community Children's Council of Hawaii supported this measure with amendments.

Your Committee has amended this bill by:

- (1) Amending requirements for the written information about policies and procedures for restraint or seclusion that parents and legal guardians receive from the Department of Education, including by adding a brief summary describing the training received by public school staff;
- (2) Clarifying that it is the Board of Education that must establish a policy regarding the use of restraint and seclusion in public schools and the Department of Education that must establish related procedures;
- (3) Adding training in a wide array of prevention and intervention modalities to the training that all public school staff who use restraint or seclusion in facilities or programs must receive;
- (4) Deleting provisions regarding the State Quality Assurance Team;
- (5) Requiring the review of data on students who were restrained or secluded to be conducted as directed by each Complex Area Superintendent;
- (6) Amending definitions for consistency and clarifying the definition of "restraint"; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1796, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1796, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Takai.
(Representative Hanohano voted no.)

SCRep. 346-14 Education on H.B. No. 1675

The purpose of this measure is to improve public education in Hawaii by:

- (1) Requiring all public secondary schools, except charter schools and multi-track public schools, to implement a school year that includes 990 student instructional hours, beginning with the 2014-2015 school year;
- (2) Eliminating the requirement that all public schools, except charter schools and multi-track public schools, implement a school year of 180 days, which must include 1,080 student instructional hours for both elementary and secondary school grades, for the 2016-2018 school years; and
- (3) Allowing the definition of "student instructional hours" to be determined by the Board of Education.

The Department of Education and a concerned individual supported the measure. IMUAlliance supported the measure with amendments. The Hawaii State Teachers Association, Hui for Excellence in Education, Witt Counseling Service, and two concerned individuals opposed the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1675 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.
(Representatives Hanohano, Say and Fale voted no.)

SCRep. 347-14 Consumer Protection & Commerce on H.B. No. 2581

The purpose of this bill is to effectuate its title.

H.B. No. 2581 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

The purpose of this measure is to establish a State Innovation Waiver Task Force to develop a health care reform plan that meets the requirements for obtaining a State innovation waiver.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2581, as amended herein, and recommends that it be recommitted to the Committee on Consumer Protection & Commerce, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 2581, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Cachola, Creagan and Tsuji.

SCRep. 348-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2122

The purpose of this bill is to effectuate its title.

H.B. No. 2122 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents. The purpose of this measure is to require the Department of Land and Natural Resources to establish a standardized fee schedule, exempt from the rulemaking process under chapter 91, Hawaii Revised Statutes, for the administration of its historic preservation program.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the action to report out H.B. No. 2122, as amended herein, and recommends that it be recommitted to the Committee on Ocean, Marine Resources, & Hawaiian Affairs, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 2122, H.D. 1.

Signed by all members of the Committee except Representative Lee.

SCRep. 349-14 Ocean, Marine Resources, & Hawaiian Affairs/Water & Land on H.B. No. 2441

The purpose of this measure is to amend provisions relating to the Kaneohe Bay Regional Council (Council) by:

- (1) Removing the Superintendent of Education from the Council;
- (2) Deleting the requirement that only a nongovernmental member of the Council be elected as its chairperson;
- (3) Deleting the provision that prohibits a chairperson from serving as chair for more than two consecutive years; and
- (4) Deleting the requirement that the Council hold public hearings until 1999 on the status of the implementation of the master plan as it

relates to ocean use activities and research conducted by the Hawaii Institute of Marine Biology.

An individual provided testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism and Ko'olaupoko Hawaiian Civic Club provided comments on this measure.

Your Committees have amended this measure by:

- (1) Inserting a requirement that the Council hold quarterly public meetings on the status of the implementation of the master plan and work with the Department of Land and Natural Resources to resolve issues raised by public and private users of Kaneohe Bay; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Ocean, Marine Resources, & Hawaiian Affairs and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2441, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2441, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 350-14 Judiciary on H.B. No. 1288

The purpose of this measure is to clarify the order of succession that determines who succeeds the Lieutenant Governor upon a vacancy in the Office of the Lieutenant Governor caused by his or her succession to the Office of the Governor, failure to qualify, removal from office, death, resignation, or otherwise. Specifically, this measure changes the list of and qualifications for successors to the Office of the Lieutenant Governor by:

- (1) Maintaining succession to, first, the Senate President followed by the House Speaker, provided that the individual meets the new qualification of being of the same political party as the Governor;
- (2) Deleting from the list of successors, should the Senate President and House Speaker not succeed, the Attorney General, Director of Finance, Comptroller, Director of Taxation, and Director of Human Resources Development; and
- (3) Designating as the successor, should the Senate President and House Speaker not succeed, an individual appointed by the Governor who is a member of the same political party as the Governor and constitutionally qualified to serve.

An individual provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Maintaining the list of officers who shall assume the powers and duties of the Office of the Lieutenant Governor when the Lieutenant Governor is temporarily absent from the State or temporarily disabled by inserting language specifying the Attorney General, Director of Finance, Comptroller, Director of Taxation, and Director of Human Resources Development, in that order; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1288, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1288, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 351-14 Judiciary on H.B. No. 676

The purpose of this measure is to protect renters from discrimination in residential rental transactions by:

- (1) Establishing the refusal to engage or discrimination in residential rental transactions and related transactions and services on the basis of a renter's source of income as a prohibited discriminatory practice;
- (2) Voiding all covenants or conditions in existing and future oral agreements or documents relating to residential premises that forbid or restrict occupancy on the basis of source of income; and
- (3) Prohibiting blockbusting and other discriminatory practices in residential rental transactions, including advertising that certain renters will not be considered, based on source of income.

The Hawaii Civil Rights Commission testified in support of this measure. The Hawaii Association of Realtors and numerous concerned individuals testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Deleting provisions that would have prohibited a variety of individually listed discriminatory actions relating to residential rental transactions;
- (2) Adding a new section to the residential landlord tenant code broadly prohibiting any person from refusing to engage in a rental

transaction with another individual solely because that individual is a recipient of public benefits;

- (3) Clarifying that the definition of "real estate transaction" includes advertising;
- (4) Defining public benefits to mean any government or private assistance, grant, loan, or rental assistance program, including low-income housing assistance certificates and vouchers such as section 8 assistance; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 676, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 676, H.D. 2.

Signed by all members of the Committee except Representative Belatti.

SCRep. 352-14 Higher Education on H.B. No. 1069

The purpose of this measure is to increase accountability at the University of Hawaii by repealing the University's authority to issue revenue bonds.

The University of Hawaii opposed the bill. The Department of Budget and Finance submitted comments.

Your Committee has amended this bill by:

- (1) Restoring the University of Hawaii's authority to issue revenue bonds; provided that the Legislature has approved the amount of the revenue bonds and the specific projects on which the revenue bonds will be expended;
- (2) Restoring Chapter 304A, part VI, subpart D, Hawaii Revised Statutes (relating to University Projects and Purposes);
- (3) Adding a savings clause;
- (4) Changing the effective date to July 1, 2525, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1069, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1069, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 353-14 Higher Education on H.B. No. 2142

The purpose of this measure is to improve the post-secondary education system in Hawaii by:

- (1) Eliminating profitability as a factor that can be used by a private college or university to demonstrate financial integrity for purposes of authorization to operate in the State; and
- (2) Repealing the State Post-secondary Education Commission's authority over procedures for receiving and responding to complaints concerning institutions of higher education in the State, since the Department of Commerce and Consumer Affairs was granted that authority pursuant to Act 180, Session Laws of Hawaii 2013.

The Department of Commerce and Consumer Affairs and a concerned individual supported the measure. The University of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2142 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 354-14 Higher Education on H.B. No. 2443

The purpose of this measure is to support the University of Hawaii at Hilo's memorandum of understanding with the RISE 21st Century After School Program by appropriating \$500,000 to establish staff positions and for related expenses.

The University of Hawaii at Hilo, 'Imiloa Astronomy Center of Hawaii, and several concerned individuals supported the measure. A concerned individual submitted comments.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee has

deleted all appropriation amounts within this measure and respectfully requests that, if your Committee on Finance chooses to advance this bill, the sum of \$500,000 be re-inserted. Moreover, technical, nonsubstantive amendments were made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2443, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2443, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 355-14 Tourism on H.B. No. 1692

The purpose of this measure is to adopt recommendations from the Office of the Auditor to improve the efficiency, transparency, and accountability of the Hawaii Tourism Authority by requiring the Authority to contain its tourism marketing plan in a single, comprehensive document, and include a report on progress toward achieving strategic plan goals in its annual report.

The Office of the Auditor supported this measure. The Hawaii Tourism Authority offered comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting redundant language relating to Convention Center revenues and collaboration with other public agencies;
- (2) Requiring the Hawaii Tourism Authority to develop, instead of a tourism marketing plan, a brand management plan, which is a single document that focuses on promoting Hawaii as a unique destination, including through marketing contracts;
- (3) Specifying that the Authority's annual report shall include information on expenditures and the brand management plan;
- (4) Making various housekeeping and conforming amendments; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests that the Committee on Finance, should it choose to consider this measure, consider deleting the proposed language on pages 12-13 regarding the nondisclosure of competitively sensitive or proprietary information to the public by the Hawaii Tourism Authority. Your Committee finds that the language may hinder public transparency. The Authority oversees a visitor industry that generates \$14,400,000,000 in economic activity yearly and represents twenty percent of the State's economy. Your Committee suggests that interested parties collaborate to develop a fair and balanced disclosure process. Your Committee finds that this measure is important and warrants more discussion as it advances through the legislative process.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1692, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1692, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 356-14 Consumer Protection & Commerce on H.B. No. 712

The purpose of this measure is to authorize the parent or legal guardian of a minor child to place a security freeze on the minor child's credit report.

Consumer Data Industry Association testified in support of the intent of this measure.

Your Committee has amended this measure by adopting the recommendations of the Consumer Data Industry Association to protect incapacitated persons as well as minor children. As amended, this bill, among other things:

- (1) Allows a consumer credit reporting agency to place a security freeze on the record of a protected consumer (a minor or incapacitated person) upon the request of the protected consumer's representative;
- (2) Allows a consumer credit reporting agency to create a record for protected consumers under certain circumstances;
- (3) Specifies what constitutes the record of a protected consumer;
- (4) Prohibits consumer credit reporting agencies from charging a fee for performing any of the services related to security freezes for protected consumers, but allowing a reasonable fee not to exceed \$5 for each placement or removal of a security freeze under certain circumstances;
- (5) Specifies when the use of a protected consumer's credit report or record is allowed;
- (6) Changes the effective date of this measure to July 1, 2112, to encourage further discussion; and
- (7) Makes technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that a question was raised as to why the age of a protected consumer should be under the age of 16 instead of 18, which is

the age of majority. Upon further review, your Committee has found that persons who are at least 16 years old, but under the age of 18, can emancipate themselves through judicial decree. Accordingly, your Committee used the age of 16 to delineate the age of a minor. However, your Committee respectfully requests that the Committee on Judiciary further examine this issue.

As affirmed by the record of votes of the members of your Committee on Consumer Protection and Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 712, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 712, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har and Thielen.

SCRep. 357-14 Health on H.B. No. 2133

The purpose of this measure is to help prevent tobacco use among youth by prohibiting:

- (1) From July 1, 2014, to June 30, 2018, the sale or furnishing of tobacco to a person born after June 30, 1997;
- (2) After June 30, 2018, prohibiting the sale or furnishing of tobacco to a person under 21 years of age, rather than to a person under 18 years of age; and
- (3) Any person under 21 years of age, rather than 18 years of age, from purchasing any tobacco product.

The American Cancer Society Cancer Action Network, Hawaii Primary Care Association, and an individual supported this measure. The Department of Health and Coalition for a Tobacco-Free Hawaii supported this measure with suggested amendments. Hawaii Smokers Alliance opposed this measure.

Your Committee has amended this measure by:

- (1) Changing the definition of "electronic smoking devices" to describe that it is a device that can be used to "vaporize and deliver nicotine," rather than used to "simulate smoking";
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style, including accurately reflecting the language of the existing section 709-908, Hawaii Revised Statutes, which already includes electronic smoking devices in certain sale, furnishing, and purchase prohibition provisions.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2133, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2133, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 358-14 Health on H.B. No. 2313

The purpose of this measure is to prohibit the use of tobacco and e-cigarettes on premises of health facilities operated by the Hawaii Health Systems Corporation.

The Department of Health, Hawaii Health Systems Corporation, American Heart Association, Coalition for a Tobacco-Free Hawaii, and several individuals testified in support of this bill.

Your Committee notes that the use of tobacco is banned at most private hospitals in the State. It is your Committee's understanding that private hospitals are now developing policies that ban the use of e-cigarettes in their facilities and on their premises.

Your Committee has amended this bill by:

- (1) Deleting the provision in the bill prohibiting the use of tobacco products and e-cigarettes on the premises of all health facilities operated by the Hawaii Health Systems Corporation, from the scope of negotiations under collective bargaining;
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2313, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2313, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 359-14 Human Services/Health on H.B. No. 2294

The purpose of this measure is to provide Hawaii residents with increased access to long-term care and more sustainable nursing facilities by, among other things, extending the Nursing Facility Sustainability Program for an additional year.

The Department of Human Services, Healthcare Association of Hawaii, Hawaii Primary Care Association, Hawaii Health Systems Corporation, Hawaii Long Term Care Association, and Chamber of Commerce of Hawaii supported this bill.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2294 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 360-14 Human Services/Health on H.B. No. 2293

The purpose of this measure is to benefit Hawaii residents by providing increased access to medical care and creating more sustainable hospitals by continuing the Hospital Sustainability Program established in 2012.

The Queen's Health Systems, Hawaii Primary Care Association, Hawaii Health Systems Corporation, and the Chamber of Commerce of Hawaii supported this measure. The Department of Human Services and Healthcare Association of Hawaii supported this measure with amendments.

Your Committees have amended this measure by:

- (1) Changing the in-patient hospital sustainability fee percentage from 2.455 to 2.175 for in-patient hospital service revenue;
- (2) Changing the exemption for hospitals with net out-patient revenue from \$50,000,000 to \$45,000,000; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2293, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2293, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 361-14 Higher Education on H.B. No. 1652

The purpose of this measure is to help ensure the financial and managerial feasibility of the University of Hawaii at Hilo College of Pharmacy by establishing a five-year pilot program under which the UH Hilo College of Pharmacy will be financially and managerially autonomous.

The Daniel K. Inouye College of Pharmacy at UH Hilo, Hawaii Island Economic Development Board, and several concerned individuals supported this measure. The Department of the Attorney General opposed this measure. The University of Hawaii, Department of Budget and Finance, Japanese Chamber of Commerce and Industry, Hawaii Island Chamber of Commerce, Friends of the Daniel K. Inouye College of Pharmacy, and a concerned individual provided comments.

Your Committee notes that a total of \$33,000,000 is required for the construction of a facility to house the University of Hawaii at Hilo College of Pharmacy and related costs. Should this measure continue through the legislative process, your Committee recognizes that the appropriate method of financing such costs is under the purview of your Committee on Finance and the Senate Committee on Ways and Means.

Your Committee has amended this measure by:

- (1) Codifying provisions for the pilot program and special fund;
- (2) Inserting provisions to explain the measure's purpose;
- (3) Specifying that the College of Pharmacy will be financially and managerially independent, rather than autonomous;
- (4) Specifying that the College of Pharmacy Board of Governors will serve in an advisory capacity to the Chancellor of UH Hilo;
- (5) Including two additional members of the UH Board of Regents to serve on the College of Pharmacy Board of Governors;
- (6) Requiring all members of the College of Pharmacy Board of Governors to be approved by the UH Board of Regents;
- (7) Requiring the College of Pharmacy Board of Governors to report to the UH Board of Regents;
- (8) Clarifying that the College of Pharmacy Board of Governors are to report on moneys in the special fund on a semi-annual basis during every year of the pilot program, beginning January 1, 2015;
- (9) Deleting provisions specifying that the College of Pharmacy Board of Governors will not participate in the management or operation of the College of Pharmacy;

- (10) Clarifying that reimbursements paid out of the special fund for construction, maintenance, and operation of the College of Pharmacy will be paid to UH Hilo;
- (11) Specifying that reimbursement terms and conditions, if any, will be determined by the Department of Budget and Finance in consultation with the College of Pharmacy Board of Governors;
- (12) Changing the entity responsible for the program evaluation of the College of Pharmacy from the University of Hawaii System to the UH Board of Regents;
- (13) Including an unspecified appropriation of general funds to be expended by UH Hilo for the purposes of the measure;
- (14) Including provisions authorizing the issuance of unspecified amounts in general obligation bonds, including general obligation bonds with debt service to be paid from special funds, for the construction of a facility to house the College of Pharmacy;
- (15) Including an authorization for the issuance of revenue bonds in an unspecified amount for the construction of a facility to house the College of Pharmacy;
- (16) Changing the effective date to July 1, 2525, to encourage further discussion; and
- (17) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1652, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1652, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 362-14 Agriculture/Water & Land on H.B. No. 1917

The purpose of this measure is to transform large tracts of fallow lands acquired by the State from the Galbraith Estate into productive diversified farming lands by authorizing the issuance of \$8,000,000 in general obligations bonds for irrigation infrastructure.

The Agribusiness Development Corporation, Local Food Coalition, and Hawaii Farm Bureau Federation supported this bill. The Department of Budget and Finance commented on this measure.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1917 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Hanohano and Ward.

SCRep. 363-14 Agriculture on H.B. No. 1991

The purpose of this measure is to promote locally grown agricultural commodities to support local agricultural businesses by exempting governmental bodies from the Hawaii Public Procurement Code when procuring fresh meat, produce, animals, and plants.

The Department of Agriculture, State Procurement Office, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Cattlemen's Council, and Hawaii Farm Bureau supported this bill.

Your Committee notes that clear metrics should be developed by the Department of Agriculture to determine whether exempting fresh meat, produce, animals, and plants from the Procurement Code benefits local farmers.

Should the Committee on Finance consider this measure, your Committee requests it to consider imposing a requirement that 25 to 35 percent of agricultural commodities procured by a government agency must be locally grown; provided that the cost of the locally grown commodity is not more than 25 percent higher than the comparable imported product.

Your Committee has amended this measure by repealing the proposed Hawaii Public Procurement Code exemption for the procurement of fresh meat, produce, animals, and plants on June 30, 2024.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1991, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1991, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 364-14 Agriculture on H.B. No. 1929

The purpose of this measure is to require the labeling of out-of-state products sold at farmers' markets.

The Hawaii Farm Bureau Federation and two individuals submitted testimony in support of the measure. The Department of Agriculture

submitted comments on the measure.

Your Committee finds that the policies of the Hawaii Farm Bureau Federation prohibit the sale of out-of-state products at farmers' markets. Your Committee also finds that exempting the sale of produce at farmers' markets from the general excise tax will help to facilitate the purchase of fresh produce.

In light of these findings, your Committee has amended this measure by:

- (1) Removing language that requires the labeling of out-of-state products sold at farmers' markets;
- (2) Defining the term "farmers' market" to mean an outdoor market where independent business operators sell agricultural products grown in Hawaii and value-added products that were produced using agricultural products grown in Hawaii; and
- (3) Establishing a general excise tax exemption for produce that is sold at farmers' markets for human consumption within the State.

Your Committee respectfully requests that subsequent Committees to which this measure is referred consider amending the definition of "farmers' market" to integrate the language used in the definitions of the terms "Hawaii input" and "Hawaii products" in section 103D-1001, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1929, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1929, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Cachola.

SCRep. 365-14 Education on H.B. No. 2276

The purpose of this measure is to help provide much-needed early childhood education for the children of Hawaii by establishing within the early learning system an Early Childhood Education Program, to be administered by the Executive Office on Early Learning. The Early Childhood Education Program may include private providers and will serve three- and four-year old children, with priority extended to children in the year prior to being eligible to attend kindergarten and underserved or at-risk children.

The Executive Office on Early Learning, Department of Education, Department of Human Services, Department of Public Safety, University of Hawaii, Kualapuu Public Conversion Charter School, Hawaii Association of Independent Schools, Hawaii P-20, The Chamber of Commerce of Hawaii, Hawaii Association for the Education of Young Children, Good Beginnings Alliance, Institute for Native Pacific Education and Culture, Democratic Party of Hawaii, Aloha United Way, Hookakoo Corporation, Kamehameha Schools, Hui for Excellence in Education, Kamaaina Kids, Partners in Development Foundation, The Pacific Resource Partnership, Hawaii Community Foundation, PHOCUSED, Hawaii Business Roundtable, and numerous concerned individuals supported the measure. KCAA Preschools of Hawaii supported the intent of the measure. The Hawaii State Teachers Association and a concerned individual opposed the measure. The American Civil Liberties Union of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2276 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Say and Takai.

SCRep. 366-14 Judiciary on H.B. No. 2413

The purpose of this measure is to apply Hawaii's prevailing wage law for public construction work projects to public-private partnerships by including public-private partnerships in the definition of a "governmental contracting agency".

The Department of Labor and Industrial Relations; Plumbers and Fitters UA, Local 675; Pacific Resource Partnership; Hawaii Operating Engineers Industry Stabilizing Fund; Hawaii Regional Council of Carpenters; Hawaii Laborers' Union; International Brotherhood of Electrical Workers Local Union 1186; and Hawaii Construction Alliance testified in support of this bill.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2413, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2413, H.D. 1.

Signed by all members of the Committee except Representatives Creagan and Kawakami.

SCRep. 367-14 Housing on H.B. No. 2059

The purpose of this measure is to create more safe and affordable housing units for Hawaii residents by allocating an unspecified amount of conveyance tax revenues to be paid annually into the Rental Housing Trust Fund after June 30, 2014.

The Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, PHOCUSED, Hawai'i Association of Realtors, Partners in Care, Helping Hands Hawai'i, Office for Social Ministry of the Catholic Diocese of Honolulu, Community Alliance for Mental Health, United Self Help, Hawaii Catholic Conference, Institute for Human Services, Inc., and a concerned individual supported this bill. The Chamber of Commerce of Hawaii and Building Industry Association of Hawaii opposed this bill. The Department of Budget and Finance and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Specifying that 50 percent of conveyance tax revenues will be deposited into the Rental Housing Trust Fund annually beginning with fiscal year 2014-2015; and
- (2) Changing its effective date to July 1, 2050, to facilitate discussion.

Your Committee respectfully requests that should your Committee on Finance choose to consider this measure, the Committee on Finance examine the impact this measure will have on the General Fund.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2059, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2059, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 368-14 Housing on H.B. No. 2252

The purpose of this measure is to protect consumers from harm by requiring that gas tankless, on-demand water heaters be certified by a North American certification organization before a variance application for a new single-family dwelling building permit to be issued is accepted.

The Department of Business, Economic Development, and Tourism; Hawai'i Gas; and a concerned individual supported this bill.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2252 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 369-14 Housing on H.B. No. 2656

The purpose of this measure is to:

- (1) Establish provisions for condominium association annual meetings and quorum requirements; and
- (2) Provide that condominium associations may call for the review and discharge of a managing agent hired by the association, upon a majority vote by the association members present at an association meeting.

A concerned individual supported this bill. The Community Associations Institute and a concerned individual supported the intent of this bill. The American Resort Development Association of Hawaii and Starwood Vacation Ownership opposed this bill. The Hawaii State Association of Parliamentarians provided comments.

Your Committee has amended this measure by:

- (1) Deleting the provisions regarding condominium association annual meetings and quorum requirements;
- (2) Providing that managing agents may be discharged if voted on by a majority of unit owners, regardless of whether the unit owners are physically present at the association meeting;
- (3) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2656, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 370-14 Housing on H.B. No. 2286

The purpose of this measure is to support an increase in the inventory of affordable housing units by extending the affordable housing credit program under the Department of Hawaiian Home Lands until June 30, 2019.

A concerned individual supported this bill. The Department of Hawaiian Home Lands supported the intent of this bill. The Department of Planning and Permitting of the City and County of Honolulu opposed this bill.

Your Committee has amended this measure by:

- (1) Extending the affordable housing credit program under the Department of Hawaiian Home Lands until June 30, 2025; and

- (2) Changing its effective date to July 1, 2050, to facilitate discussion.

Your Committee respectfully requests that should your Committee on Finance choose to consider this measure, your Committee on Finance determine whether extending the sunset date until June 30, 2025, is preferable to extending the sunset date until June 30, 2019.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2286, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2286, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 371-14 Economic Development & Business on H.B. No. 1924

The purpose of this measure is to assist the Council on Revenues with its analysis of Hawaii's economic conditions and allow the Council to provide the State with a more accurate revenue forecast. Specifically, this bill establishes an Interdepartmental Research Task Force to look into developing, modifying, and updating the economic models used by the Council to prepare economic and tax revenue forecasts. For this purpose, this measure requires review of economic data, data source and collection, and reporting schedule and procedures used for the economic models, and provides funding for the preparation of tax data by the Department of Taxation and for the Department of Business, Economic Development, and Tourism to assist in economic model development.

Additionally, this bill appropriates funds to:

- (1) The Department of Taxation to prepare tax data for use by the Task Force to complete its undertaking; and
- (2) The Department of Business, Economic Development, and Tourism to assist the Task Force with the development of various economic models.

The Department of Business, Economic Development, and Tourism and State Office of Information Management and Technology testified in support of the intent of this measure. The Council on Revenues, Department of Labor and Industrial Relations, Department of Taxation, and Tax Foundation of Hawaii provided comments.

The 1978 Constitutional Convention provided for the establishment of the Council on Revenues to prepare revenue projections for the state government for each fiscal year of the six-year State Program and Financial Plan. Projections prepared by the Council are considered by the Governor in preparing the State budget, recommending appropriations, and controlling expenditures. The Legislature also considers these projections when appropriating funds and enacting revenue measures. Thus, revenue projections by the Council are extremely important to State fiscal planning.

At times, however, the Council experiences difficulty obtaining certain data, which may have an impact on the Council's revenue projections. The availability of more timely statistical information, data, and studies would assist the Council in preparing more accurate revenue projections for the State.

Your Committee has amended this bill by:

- (1) Leaving unspecified, the appropriation amounts to the Department of Taxation and Department of Business, Economic Development, and Tourism; and
- (2) Changing its effective date to January 20, 2050, to facilitate further discussion.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$125,000 to the Department of Taxation and \$150,000 to the Department of Business, Economic Development, and Tourism for fiscal year 2014-2015 for the purposes of this measure.

Your Committee also notes that, should the Interdepartmental Research Task Force be established, the Task Force is requested to implement a system in conjunction with the Department of Taxation to compile a report that would compare the projected revenues to the actual revenues received. Should the Task Force not be able to compile such a report, the Task Force is requested to report back to the Legislature with recommendations as to legislative actions needed to assist the Task Force in completing this report.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1924, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1924, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Ito and Ohno.

SCRep. 372-14 Legislative Management on H.B. No. 2378

The purpose of this measure is to promote ethics in state government by, among other things:

- (1) Requiring all members of boards, commissions, or committees to complete training in public agency meetings, information practices, and ethics within six months of the member's confirmation by the Senate;
- (2) Establishing content requirements for the public agency meetings and information practices training course to be established and administered by the Office of Information Practices; and

- (3) Requiring an additional ethics course to be provided in July of each year.

The League of Women Voters of Hawaii and Americans for Democratic Action Hawaii testified in support of this measure. The Office of Information Practices, Hawaii State Ethics Commission, High Technology Development Corporation, Common Cause Hawaii, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the mandatory training on public agency meetings and information practices shall be administered in person or in an online format as determined by the Office of Information Practices and requiring that the Office provide certification of completion upon successful completion of the training;
- (2) Clarifying that members of boards, commissions, and committees shall not be required to complete training in lobbying laws encompassed in Chapter 97, Hawaii Revised Statutes;
- (3) Deleting the requirement that an additional ethics course be provided in July of each year because the Hawaii State Ethics Commission is already required to repeat ethics courses as necessary to accommodate all persons required to take the course;
- (4) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Legislative Management that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2378, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2378, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Saiki.

SCRep. 373-14 Education on H.B. No. 14

The purpose of this measure is to improve early childhood education in Hawaii by:

- (1) Making kindergarten attendance mandatory;
- (2) Requiring that, unless for specified reasons, all children who will be at least five years old by July 1 of any school year attend either a public or private school; and
- (3) Requiring the early learning system to facilitate children's transition to kindergarten, with priority given to underserved or at-risk children.

The Executive Office on Early Learning, Hawaii State Teachers Association, Hawaii Association of Independent Schools, Hawaii P-20, Good Beginnings Alliance, Hui for Excellence in Education, The Chamber of Commerce of Hawaii, Hawaii State AFL-CIO, Institute for Native Pacific Education and Culture, and two concerned individuals supported the measure. The Department of Human Services supported the intent of the measure. The Department of Education supported the measure with amendments. A concerned individual opposed the measure.

Your Committee has amended this bill by:

- (1) Requiring that, unless for specified reasons, all children who will be at least five years old by July 31 of any school year attend either a public or private school;
- (2) Deleting the requirement that the early learning system must facilitate the transition to kindergarten of children, with priority given to underserved or at-risk children;
- (3) Establishing within the Department of Education an individualized kindergarten readiness assessment system;
- (4) Requiring the Department of Education, in collaboration with the Executive Office on Early Learning, to develop a statewide individualized kindergarten readiness system to collect information and data made available through the individualized kindergarten readiness assessment system;
- (5) Inserting an appropriation of \$870,000 for the administration, training, technology, and support necessary for the establishment of the individualized kindergarten readiness assessment system and to establish four full-time equivalent (4.0 FTE) positions within the Department of Education for professional development and training of kindergarten teachers; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 14, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 14, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Say and Takai.

SCRep. 374-14 Water & Land on H.B. No. 2634

The purpose of this measure is to expand the authorization granted to the Department of Land and Natural Resources to extend certain leases for hotels and resorts on public land to commercial and industrial properties.

Two individuals submitted testimony in support of this measure. The Department of Land and Natural Resources and one individual submitted testimony in opposition to this measure. The Office of Hawaiian Affairs submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050; and
- (2) Making a technical, nonsubstantive amendment for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2634, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2634, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 375-14 Water & Land on H.B. No. 1919

The purpose of this measure is to authorize state and county planning and permitting agencies to issue various development, occupancy, and use permits for educational retreat facilities that promote education on ecology, sustainable living, and wellness; provided that the proposed retreat facilities:

- (1) Will not have a detrimental impact on the environment;
- (2) Will not violate construction and zoning requirements that protect public health and safety;
- (3) Will comply with applicable rules; and
- (4) Will be beneficial to the surrounding community through demonstration and development of sustainable living principles and practices.

Several individuals submitted testimony in support of this measure. The Department of Planning and Permitting of the City and County of Honolulu submitted testimony in opposition. The Office of Planning and Department of Agriculture submitted testimony in opposition.

Your Committee notes the concerns expressed by some testifiers about the impact that this measure may have on the availability of agriculturally zoned land for purposes other than agricultural production. However, your Committee finds that the purpose of the proposed educational retreats, to teach and demonstrate sustainable living and ecology principles, is compatible with the development of appreciation for and skills in agriculture and related practices. Your Committee finds that the State's growing agricultural sector will benefit from increased community education about the practices and principles of sustainability and ecology.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1919, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 376-14 Water & Land on H.B. No. 1533

The purpose of this measure is to improve Hawaii's food self-sufficiency by establishing for the Agricultural Development and Food Security Special Fund a priority for expenditures that support the growth and development of food in the State.

Several individuals submitted testimony in support of this measure. The Hawaii Farm Bureau Federation submitted testimony in opposition to this measure. The Department of Agriculture submitted comments.

Your Committee has amended this measure by:

- (1) Adding the growth and development of feed consumed by animals in the course of animal husbandry to the prioritized expenditures of the Special Fund; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1533, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1533, H.D. 2.

Signed by all members of the Committee.
(Representatives Hanohano and Say voted no.)

SCRep. 377-14 Water & Land on H.B. No. 1914

The purpose of this measure is to require that all conveyances, transfers, and exchanges of public historic property advance the interest of historic preservation.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Historic Hawaii Foundation, and the Office of Hawaiian Affairs. The Society for Hawaiian Archeology submitted comments.

Your Committee has amended this measure by:

- (1) Narrowing its application to property listed or eligible for inclusion in the Hawaii register of historic places; and
- (2) Specifying that any special protections or conditions for the conveyance, transfer, or exchange of historic property subject to this measure shall be developed in consultation with the State Historic Preservation Division and subject to the same review process, including review by the Department of Hawaiian Homelands when appropriate, that applies to all state projects involving historic property.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1914, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1914, H.D. 1, and be referred to the Committee on Finance.

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

SCRep. 378-14 Water & Land/Energy & Environmental Protection/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1512

The purpose of this measure is to charge the Lieutenant Governor with coordinating public and private sector resources to develop a strategic plan to direct statewide growth and development in response to projected sea level rises resulting from climate change.

The University of Hawaii and several individuals submitted testimony in support of this measure. The Office of the Lieutenant Governor, Office of Planning, and Department of Land and Natural Resources submitted comments.

Your Committees find that climate change is the most important environmental issue facing the State today. Its effects are imminent and will be profound, particularly for our island State. Reliable scientific data projects sea level rise of one foot over 2011 levels by 2050, as well as potentially radical changes in weather patterns. Hawaii must begin to institute concrete and realistic plans to respond to climate change now. Your Committees find that assigning responsibility for coordinating the climate change response effort to the Lieutenant Governor makes clear the Legislature's understanding that the magnitude of this issue is such that it must be addressed at the highest levels of statewide government.

Your Committees note that the Legislature is currently considering several other measures related to the State's climate change response that allocate duties differently than this measure does. Many of the ideas and potential response plans under discussion have meritorious elements that the Legislature should continue to consider alongside this measure. Your Committees find that statewide planning to address climate change is of such importance to the public health, safety, and welfare that all reasonable strategies must be thoroughly considered so that the Legislature and the people of the State can implement the final plan with confidence that Hawaii's environment, culture, economy, and people, will be protected to the greatest extent possible.

Accordingly, your Committees request that the Committee on Finance consider the effects of this measure and others like it on the roles of government leaders and public agencies, particularly the Office of Planning and the Sustainability Coordinator, in its deliberations related to statewide climate change planning.

As affirmed by the records of votes of the members of your Committees on Water & Land, Energy & Environmental Protection, and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1512 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 379-14 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1911

The purpose of this measure is to establish a Nonresident Permit Program for marine or fresh water game fish and make it unlawful for nonresidents to fish in Hawaii without a nonresidential permit. This measure also establishes the Aquatic Resources Special Fund into which nonresident permit fees would be deposited for the management and administration of the State's aquatic resources.

Two individuals testified in support of this measure. The Office of Hawaiian Affairs, Department of Budget and Finance, Department of Land and Natural Resources, and an individual provided comments.

Your Committees recognize the merit of the measure's intent, but find that many issues need to be further clarified and addressed, including those surrounding traditional native Hawaiian rights and customary practices and their relationship to the conservation of aquatic resources.

Your Committees have amended this measure by:

- (1) Removing provisions establishing the Nonresident Permit Program and Aquatic Resources Special Fund;
- (2) Requiring a study and report to be completed by the Department of Land and Natural Resources regarding the feasibility of

establishing a Noncommercial Fishing License Program;

- (3) Appropriating an unspecified sum for the study; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1911, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1911, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 380-14 Judiciary on S.B. No. 499

The purpose of this measure is to adopt the Uniform Partition of Heirs Property Act, which:

- (1) Defines "heirs property"; and
- (2) Establishes a hierarchy of remedies designed to protect a family's holdings and its real property wealth for partition actions involving heirs property.

The Commission to Promote Uniform Legislation provided testimony in support of this measure. The Judiciary provided comments on this measure.

After further consideration of this measure, your Committee has amended this measure by:

- (1) Changing the applicability of the Uniform Partition of Heirs Property Act in section -3 of the measure from July 1, 2013, to July 1, 2014;
- (2) Changing its effective date to March 9, 2017; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 499, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 499, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Har, Lee, Nakashima, Wooley, McDermott and Thielen.

SCRep. 381-14 Education on H.B. No. 1535

The purpose of this measure is to support agricultural education in Hawaii by requiring the Department of Agriculture to issue a request for proposals, that includes rules and guidelines to administer the program, for local non-profit organizations that have a demonstrated capacity in youth-oriented service programming for agriculture to establish, develop, and implement a Hawaii Youth Agricultural Corps.

The Kohala Center-Hawaii Island School Garden Network, University of Hawaii PALS and PLACES Program, Hawaii Primary Care Association, and a concerned individual supported this bill. The Hawaii Farm Bureau Federation supported the intent of the bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1535, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Takai and Fale.

SCRep. 382-14 Education on H.B. No. 2109

The purpose of this measure is to improve the physical health of Hawaii's elementary-school students by:

- (1) Statutorily establishing the Fun 5 Program--an evidence-based physical-activity and nutritional-education program--within the Afterschool Plus (A+) Program; and
- (2) Appropriating \$400,000 to support the Fun 5 Program.

Kahoomiki, Kamaaina Kids, the Afterschool Alliance, and several concerned individuals supported the bill. The Department of Education and Department of Human Services submitted comments.

Your Committee has amended this bill by:

- (1) Referring more generally to an evidence-based physical-activity and nutritional-education program, instead of specifically to the Fun 5 Program;

- (2) Appropriating an additional \$77,000 to cover A+ program fees, including those for the evidence-based physical-activity and nutritional-education program, for the children of families who are eligible for the Temporary Assistance for Needy Families Program; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2109, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2109, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 383-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 2287

The purpose of this measure is to protect the sensitive personal data contained in Hawaiian homestead application files and lease files by excluding records that contain such information from disclosure under the Uniform Information Practices Act.

The Hawaiian Affairs Caucus of the Democratic Party of Hawaii provided testimony in support of this measure. The Office of Information Practices provided testimony in opposition to this measure. The Department of Hawaiian Home Lands and Association of Hawaiian Civic Clubs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the amendments made to the Uniform Information Practices Act;
- (2) Inserting the disclosure exemptions into a new statutory chapter and specifying the types of records and content that shall be exempt from disclosure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the Office of Information Practices and the Department of Hawaiian Home Lands have agreed to collaborate on a proposed draft that seeks to address the concerns raised by both parties for consideration by your Committee on Judiciary.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2287, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2287, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Lee, Lowen, Nishimoto and Fale.

SCRep. 384-14 Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 709

The purpose of this measure is to appropriate funds for the Department of Land and Natural Resources to conduct public outreach meetings to adopt rules on statewide coastal management.

The Association of Hawaiian Civic Clubs testified in support of this measure. A concerned individual testified in opposition of this measure.

Your Committee has amended this measure by:

- (1) Requiring the Department of Land and Natural Resources to convene a task force to assist in the development of rules applicable to all coastal areas and nearshore waters; provided that the Department of Land and Natural Resources may implement rules regarding waters around Niihau only after the task force submits its final report to the Legislature prior to the convening of the Regular Session of 2017;
- (2) Specifying that the rules developed shall regulate fishing, gathering, leisure, and other activities;
- (3) Requiring the task force, in carrying out its duties, to consult with persons who have expertise in host culture konohiki practices and examine empirical and scientific data compiled by credible academic and scientific sources; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 709, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 709, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 385-14 Consumer Protection & Commerce on H.B. No. 2245

The purpose of this measure is to statutorily establish the authority of the Attorney General's oversight over charitable assets regardless of the form in which they are held.

The Department of the Attorney General and the Commission to Promote Uniform Legislation testified in support of the measure.

Your Committee finds that the Attorney General's role in providing oversight of Hawaii's charitable organizations is recognized under common law and through various provisions of the Hawaii Revised Statutes, including but not limited to provisions in chapters 323D, 414D, 431, 467B, 517E, 554, and 554B, Hawaii Revised Statutes. Your Committee also finds that codifying section 3 of the Model Protection of Charitable Assets Act, adopted by the National Conference of Commissioners on Uniform State Laws, will provide certainty that the Attorney General has oversight over charitable assets regardless of the form in which they are held and may investigate breaches of duty, diversions of charitable assets, and intervene in actions for the protection of charitable assets.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2245 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 386-14 Consumer Protection & Commerce on H.B. No. 2275

The purpose of this measure is to amend the definition of "distressed property consultant" in section 480E-2, Hawaii Revised Statutes, by:

- (1) Expanding the definition to include persons who provide, attempt to perform or provide, arrange for others to perform or provide, assist others to perform or provide, or offer to provide certain mortgage rescue services; and
- (2) Clarifying that the exception of attorneys from the definition of "distressed property consultant" applies to attorneys who are licensed to practice law in Hawaii.

The Department of Commerce and Consumer Affairs, Office of Consumer Protection; the Hawaii Bankers Association; and one individual testified in support of the measure.

Your Committee finds that there have been instances in which persons have attempted to evade the requirements of the Mortgage Rescue Fraud Prevention Act by acting as an agent of another person or entity, or utilizing the services of out-of-state attorneys, in providing services to distressed property owners. Your Committee believes that by clarifying the definition of "distress property consultant," this measure will enable the Attorney General and the Office of Consumer Protection to prosecute violations of the Mortgage Rescue Fraud Prevention Act more quickly and to obtain judgments with less expenditure of resources.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2275 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 387-14 Consumer Protection & Commerce on H.B. No. 2485

The purpose of this measure is to facilitate the nonjudicial foreclosure process that condominium and homeowner associations may pursue against unit owners who are delinquent in paying association assessments.

Specifically, this measure allows associations who are unable to serve creditors and other interested parties with the notice that initiates the nonjudicial foreclosure process to make service by publication using the same means currently allowed for service upon unit owners.

The Collection Law Section of the Hawaii State Bar Association and one individual testified in support of this measure.

Your Committee finds that current law allows condominium and homeowner associations to pursue nonjudicial foreclosure proceedings against a unit owner who has defaulted on the payment of association assessments. The process is initiated by service of notice to the unit owner, creditors with a recorded lien on the unit, and other stakeholders that are specified in section 667-92(e), Hawaii Revised Statutes. Current law also provides the association with several options if the association is unable to serve all of the parties entitled to receive notice. One of these options allows the association to seek court permission to proceed with the nonjudicial foreclosure by serving notice to the unit owner by publication and posting. However, this option does not specifically allow the association to serve any of the creditors or other parties by publication if they cannot be found, which may prevent the nonjudicial foreclosure from moving forward. At that point, the association may have to pursue foreclosure by judicial proceedings, which involve substantially more time and cost. By specifically allowing associations to serve notice to creditors and other parties by publication, this measure enables associations to continue seeking cost-effective and efficient nonjudicial foreclosures against delinquent unit owners.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2485 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 388-14 Agriculture on H.B. No. 2426

The purpose of this measure is to protect Hawaii against the destructive powers of invasive species, including millions of dollars in crop loss and the costs resulting from the quarantine of exported agricultural crops by appropriating \$1,000,000 for biosecurity facilities at harbors and airports in the State

to prevent the introduction of new invasive species.

The Department of Agriculture, Department of Land and Natural Resources, Department of Transportation, The Nature Conservancy of Hawaii, Hawaii Farm Bureau Federation, and three concerned individuals supported this bill. Able Freight and Hawaiian Airlines commented on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2426 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 389-14 Water & Land on H.B. No. 2002

The purpose of this measure is to simplify and streamline the operation of the land court by authorizing the use of a master certificate title for common interest communities.

The Department of Land and Natural Resources and a few individuals provided testimony in support of this measure. The Judiciary provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2002 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Hanohano and Say.

SCRep. 390-14 Tourism on H.B. No. 2170

The purpose of this measure is to support Hawaii's construction industry by creating an income tax credit for costs incurred in new hotel construction.

The Subcontractors Association of Hawaii and the Maui Hotel & Lodging Association supported this measure. The Department of Taxation and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the amount of the credit shall be based on construction costs incurred at any time during the taxable year;
- (2) Clarifying that a qualified taxpayer for purposes of claiming the credit need not be subject to the transient accommodations tax; and
- (3) Requiring all construction costs for which the tax credit is intended to be claimed to be pre-certified by the Department of Business, Economic Development, and Tourism prior to incurring the costs to ensure compliance with the type of activity intended to be covered by the tax credit.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2170, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2170, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 391-14 Tourism on H.B. No. 1594

The purpose of this measure is to support Hawaii's construction industry by creating a 10 percent tax credit for construction or renovation costs incurred on a qualified hotel facility before December 31, 2019.

The Subcontractors Association of Hawaii, Wyndham Vacation Ownership, Hawaii Lodging & Tourism Association, and the Maui Hotel & Lodging Association supported this measure. The Department of Taxation and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the tax credit created by this measure applies to taxable years beginning from January 1, 2015, through December 31, 2019;
- (2) Clarifying that a qualified taxpayer for the purposes of claiming the credit need not be subject to the transient accommodations tax; and
- (3) Requiring all construction costs for which the tax credit is intended to be claimed to be pre-certified by the Department of Business, Economic Development, and Tourism prior to incurring the costs to ensure compliance with the type of activity intended to be covered by the tax credit.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1594, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No.

1594, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 392-14 Tourism on H.B. No. 2434

The purpose of this measure is to specify that the \$3,000,000 Transient Accommodations Tax (TAT) revenue amount currently allocated for expenditure pursuant to agreement between the Hawaii Tourism Authority (HTA) and the Board of Land and Natural Resources (BLNR) for natural resources and facilities purposes in accordance with HTA's Strategic Plan shall be:

- (1) Deposited into the Special Land and Development Fund, rather than the general fund; and
- (2) Distributed among the Beach Restoration Special Fund, State Parks Special Fund, and Trail and Access Program for expenditure by various divisions of the Department of Land and Natural Resources in accordance with the agreement between BLNR and HTA.

The HTA and Outrigger Hotels Hawaii supported this measure. The Department of Land and Natural Resources, Historic Hawaii Foundation, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Adding allocation to and expenditure from the Conservation and Resources Enforcement Special Fund as an authorized use for TAT revenues allocated pursuant to agreement between BLNR and HTA; and
- (2) Making the measure effective upon its approval to ensure that previously allocated funds are available in the current fiscal year.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2434, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2434, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Onishi and Takai.

SCRep. 393-14 Judiciary on H.B. No. 2235

The purpose of this measure is to clarify that for agencies, boards, commissions, and other authorities subject to the Sunshine Law requirements of Chapter 92, Hawaii Revised Statutes, the requirements for public notice of proposed administrative rules are met if the posted notice:

- (1) Describes the proposed administrative rules in a general manner that follows the same format as that of a public hearing notice under section 91-3, Hawaii Revised Statutes; and
- (2) Includes a statement of when and where the proposed rules may be viewed in person and on the Internet as provided in section 91-2.6, Hawaii Revised Statutes.

The Office of Information Practices and the Department of the Attorney General testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2235 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 394-14 Judiciary on H.B. No. 255

The purpose of this measure is to create a three-year medical release pilot project for certain inmates who because of illness, disease, or medical condition do not pose a significant risk to society.

The Office of Hawaiian Affairs and one concerned individual testified in support. The Department of the Prosecuting Attorney of the County of Maui, Office of the Prosecuting Attorney of the County of Kauai, and Maui Police Department testified in opposition to this measure. The Department of Public Safety, Hawaii Paroling Authority, Department of the Attorney General, Community Alliance on Prisons, and two concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Placing the medical release program within the jurisdiction of the Department of Public Safety (PSD) as a permanent program;
- (2) Clarifying that medical release may only be granted if an inmate does not pose a significant risk to public safety and the inmate has:
 - (A) An illness, disability, or a medical condition with a prognosis to a reasonable medical probability that death will occur within six months;
 - (B) A seriously debilitating medical condition that cannot be appropriately treated in prison; or

- (C) Such limited functional or cognitive ability that the inmate is not able to participate in rehabilitation or be aware of punishment;
- (3) Specifying that a request for medical release may be initiated by an inmate's immediate family member along with the Director of Public Safety, inmate, or the inmate's representative, and that the immediate family member may participate in the Hawaii Paroling Authority hearing for medical release;
- (4) Requiring that all requests for medical release made by anyone other than the Director of Public Safety be submitted to the Director, and requiring the Director, upon receipt, to issue a medical release report for submittal with the request to the Hawaii Paroling Authority within 20 days;
- (5) Authorizing the inmate or inmate's immediate family member or representative to present a report with findings from a private licensed medical doctor at the Hawaii Paroling Authority's hearing for medical release;
- (6) Providing for appeal of the denial of a medical release request to the circuit court within 30 days of the denial decision;
- (7) Deleting the requirement that PSD adopt rules for the medical release program; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 255, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 255, H.D. 2.

Signed by all members of the Committee except Representative McDermott.

SCRep. 395-14 Judiciary on S.B. No. 1249

The purpose of this measure, as received by your Committee, is to clarify existing state law relating to the compensation to which trustees are entitled.

For the purpose of public hearing on this bill, your Committee circulated a Proposed S.B. No. 1249, S.D. 2, H.D. 1 (Proposed Draft), and notified the public that it would be accepting testimony on the Proposed Draft, which:

- (1) Specifies that banks and trust companies serving as trustees shall be entitled to reasonable compensation, which may be set forth in the bank or trust companies' published fee schedule;
- (2) Requires advanced written notice of any amendment to a corporate trustee's fee schedule be provided to the settlor, or if the settlor is deceased, to all beneficiaries;
- (3) Provides for the division of inception fees in cases where there is more than one trustee;
- (4) Provides for cost-of-living increases to specified annual fees due a trustee in accordance with changes in the Consumer Price Index, using 2014 as the base year;
- (5) Clarifies that any adjusted amount that is not a multiple of \$10,000, should be rounded down to the next lowest multiple of \$10,000;
- (6) Specifies that this measure shall not infringe on an interested party's right to petition the court for review under Hawaii Trust Administration Laws in Article VII of Chapter 560, Hawaii Revised Statutes;
- (7) Changes the effective date to January 1, 2015; and
- (8) Makes technical, nonsubstantive amendments for clarity, consistency, and style.

Central Pacific Bank, Bank of Hawaii, First Hawaiian Bank, and several concerned individuals testified in support of this measure as received by your Committee. One concerned individual provided comments on this bill as received by your Committee.

Numerous concerned individuals testified in support of the Proposed Draft.

Upon consideration of the merits of S.B. No. 1249, S.D. 2, as received by your Committee, and the Proposed Draft, your Committee has amended this bill by incorporating the provisions of the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1249, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1249, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Belatti.

SCRep. 396-14 Energy & Environmental Protection on H.B. No. 1942

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Princeton Energy Group or a related special

purpose entity with the financing and refinancing costs relating to the planning, design, and construction of a renewable energy project with energy storage technology on the island of Molokai.

Molokai Ranch, Royal Contracting Company, Ltd., Ulupono Initiative, Princeton Energy Group, Sierra Club of Hawaii, EnerVault, and numerous concerned individuals testified in support of this measure. The Department of Budget and Finance commented on this measure. A councilmember from the Maui County Council offered comments.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1942, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1942, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 397-14 Energy & Environmental Protection on H.B. No. 2165

The purpose of this measure is to:

- (1) Authorize the counties to create a process for the recordation and enforcement of solar easements; and
- (2) Require protection of solar access from shade caused by vegetation to preserve the economic value of solar radiation falling on structures, investments in solar energy devices, and the options for future uses of solar energy.

Hawaii Solar Energy Association and two concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to November 10, 2113, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2165, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2165, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 398-14 Energy & Environmental Protection on H.B. No. 2543

The purpose of this measure is to issue special purpose revenue bonds of up to \$50,000,000 for BioTork Hawaii LLC for the development and operation of a facility to convert agricultural crops and by-products to biofuels and high-protein feed.

Agribusiness Development Corporation; BioTork Hawaii, LLC; and a concerned individual testified in support of this measure. A concerned individual testified in opposition of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2543 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 399-14 Judiciary on H.B. No. 2168

The purpose of this measure is to conform state debt limit statement laws to include tax increment bonds if a constitutional amendment allowing the State to authorize the use of such bonds by the counties is ratified.

The Building Industry Association of Hawaii and The Chamber of Commerce of Hawaii supported this bill. The Department of the Attorney General and Department of Budget and Finance provided comments.

Your Committee has amended this measure by applying the amendments to the governing statutory framework for the debt limit statement for counties, instead of for state debt limit statement laws.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2168, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2168, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 400-14 Housing on H.B. No. 2501

The purpose of this measure is to provide stability and oversight to low-income housing residents by requiring the Hawaii Public Housing Authority to designate a resident manager at:

- (1) Each federal public housing complex; and
- (2) Each state low-income housing project.

The Community Alliance for Mental Health, United Self Help, and a concerned individual supported this bill. The Hawaii Public Housing Authority provided comments.

Your Committee has amended this measure by:

- (1) Establishing four Certified Public Accountant positions within the Hawaii Public Housing Authority under Part II to assist the authority in documenting its financial information;
- (2) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that, according to the testimony of the Hawaii Public Housing Authority, the four Certified Public Accountant positions to be established under Part II of this measure are intended to be federally funded.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2501, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2501, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 401-14 Housing on H.B. No. 2085

The purpose of this measure is to incentivize efficient development of all types by:

- (1) Establishing an income tax credit for proposed development projects that will be located in areas that maximize the use of existing infrastructure and are located near affordable housing or mass transit; and
- (2) Establishing procedures for the Hawaii Housing Finance and Development Corporation to determine whether proposed projects qualify for the credit.

The Community Alliance for Mental Health and United Self Help supported this bill. The Hawaii Housing Finance and Development Corporation supported the bill's intent. The Tax Foundation of Hawaii provided comments on this bill.

Your Committee has amended this measure by:

- (1) Authorizing the Hawaii Housing Finance and Development Corporation to develop a mixed-use project containing affordable housing within an area near rail transit on behalf of the State or any qualified person or firm;
- (2) Replacing the proposed income tax credit with a general excise tax exemption for qualified individuals or firms involved in the development of affordable housing within a project developed by the Hawaii Housing Finance and Development Corporation pursuant to this measure;
- (3) Authorizing the Corporation to establish and charge reasonable service fees and in consultation with the Department of Taxation, to adopt rules necessary to develop the project and facilitate the tax exemption;
- (4) Prohibiting counties from developing mixed-use projects pursuant to this measure in exercising their authority to perform the functions of the Hawaii Housing Finance and Development Corporation;
- (5) Specifying that taxpayers exempt from general excise taxes pursuant to this measure remain subject to the county surcharge for mass transit;
- (6) Applying the general excise tax exemption to taxable years beginning after December 31, 2015; and
- (7) Changing its effective date to July 1, 2014.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2085, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2085, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 402-14 Judiciary on H.B. No. 1638

The purpose of this measure is to appropriate supplemental funds for the operating and capital improvement costs of the Judicial Branch for fiscal year 2014-2015.

The Judiciary, County of Hawaii Office of the Corporation Counsel, Office of the Prosecuting Attorney of the County of Hawaii, Hawaii State Bar Association, and West Hawaii Bar Association testified in support of this measure. The Domestic Violence Action Center provided comments.

Your Committee has amended this measure by:

- (1) Appropriating an additional \$131,000 in general funds to the First Circuit (JUD 310) for purchase of service contracts;
- (2) Making permanent one mental health social worker position; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1638, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1638, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 403-14 Judiciary on H.B. No. 2489

The purpose of this measure is to support and enable evidence-based practices and programs that will reduce future delinquency by Hawaii's youth in cost-effective ways, including mental health and substance abuse treatment programs, by appropriating funds to the Family Court Division of the Judiciary and the Office of Youth Services, and authorizing the transfer of unexpended funds from the Hawaii Youth Correctional Facility budget to Family Court Division of the Judiciary.

The Office of the Governor, Judiciary, Office of Youth Services, Office of the Public Defender, Office of the Mayor of the County of Hawaii, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, Department of the Prosecuting Attorney of the County of Maui, Honolulu Police Department, Hawaii Youth Services Network, Hale Kipa, Community Alliance on Prisons, and several individuals testified in support of this measure. Department of Health provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2489, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2489, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 404-14 Education on H.B. No. 1745

The purpose of this measure is to improve the law governing public charter schools by, among other things:

- (1) Allowing the State Public Charter School Commission to assess fees to help cover its operating costs and to set initial fee amounts without following generally applicable rulemaking procedures upon compliance with alternate notice and hearing requirements;
- (2) Requiring that a charter applicant comply with pre-opening criteria set by the authorizer before becoming an entity of the State by entering into and executing a charter contract to open a school;
- (3) Providing that an approved charter applicant that fails to satisfactorily meet the pre-opening criteria and enter into a charter contract or withdraws its application will be required to pursue a new application and approval process to execute a charter contract;
- (4) Specifying that legislatively appropriated funding for the State Public Charter School Commission be independent of funding for charter schools;
- (5) Amending annual reporting requirements for authorizers and the Board of Education;
- (6) Amending requirements for service on a governing board, for the conduct of meetings by a governing board, and for notice of meetings by a governing board;
- (7) Repealing the authorization for the formation of a conversion charter school by an existing Hawaiian language immersion program;
- (8) Providing for the reconstitution of governing boards under exigent circumstances;
- (9) Allowing authorizers to direct a governing board and charter school to take immediate appropriate action to address serious health and safety issues; and
- (10) Making various technical and conforming amendments.

The State Public Charter School Commission supported this measure. The Hawaii Educational Policy Center opposed this measure. The Hawaii Public Charter Schools Network and a concerned individual submitted comments.

Your Committee has amended this bill by:

- (1) Specifying that the fees assessed by the State Public Charter School Commission apply to non-state entities and individuals;
- (2) Allowing authorizers and governing boards to make and execute contracts;
- (3) Further changing publication requirements for notices, agendas, and minutes of public meetings by a governing board;
- (4) Changing its effective date to July 1, 2014; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1745, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1745, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 405-14 Water & Land on H.B. No. 588

The purpose of this measure is to make permanent the liability protections provided by outdoor warning signs for outdoor recreation on public lands.

The Department of the Corporation Counsel of the City and County of Honolulu provided testimony in support of this measure. The Hawaii Association for Justice provided testimony in opposition to this measure. The Department of the Attorney General, Department of Land and Natural Resources, and numerous individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Increasing the liability protections for the State and counties by extending the conclusive presumption for legally adequate warning to include signage warning of dangerous, non-natural conditions on unimproved public lands;
- (2) Changing its effective date to June 29, 2014; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 588, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 588, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano and Lee.

SCRep. 406-14 Labor & Public Employment on H.B. No. 1705

The purpose of this measure is to provide firefighters with comprehensive medical coverage through workers' compensation benefits and service connected-disability retirement benefits by establishing a presumption that a firefighter who suffers from cancer, blood-borne infectious diseases, and exposure to biochemical substances contracted the condition in the course of employment.

The Hawaii State Fire Council; Honolulu Fire Department; County of Maui, Department of Fire and Public Safety; Hawaii Fire Department; Firefighter Cancer Support Network; and a few individuals provided testimony in support of this measure. The Employees' Retirement System and Hawaii Insurers Council provided testimony in opposition to this measure. The Department of Human Resources Development; City and County of Honolulu, Department of Human Resources; and Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO provided comments on this Measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that compensation that is awarded for cancer include full hospital, surgical, medical treatment, disability indemnity, and death benefits;
- (2) Deleting the presumption for service-connected disability retirement benefits;
- (3) Requiring the Hawaii State Fire Council to:
 - (A) Develop minimum standards and procedures to ensure the health and safety of firefighters and first responders;
 - (B) Ensure personnel are trained regularly on these standards and procedures;
 - (C) Urge county fire departments to conduct an inventory of fire stations to ensure that fire stations meet environmental health and safety standards;

- (D) Require each fire station to employ best practices that limit employees' exposure to hazardous materials as part of the minimum standards and procedures; and
- (E) Submit a report to the Legislature on the above objectives; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1705, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1705, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 407-14 Labor & Public Employment on H.B. No. 1737

The purpose of this measure is to make an appropriation of an unspecified amount to the Office of Community Services (Office).

The Office of Community Services; Filipino American Citizens League; Filipino Coalition for Solidarity; National Federation of Filipino American Associations, Region 12; Nursing Advocates & Mentors, Inc.; Catholic Charities Hawai'i; and an individual provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the purpose of the appropriation is to support the expansion of the newly-created State-funded Immigrant Resource Centers, contracted by the Office with nonprofit service providers, to provide language-accessible direct information and referral services to new immigrants;
- (2) Requiring the Office to consider and report to the Legislature on, among other things:
 - (A) The current process for solicitation and administration of the grants-in-aid programs;
 - (B) The feasibility of handling the processing of all of the grants-in-aid requests; and
 - (C) Recommendations to streamline the grants-in-aid process; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should your Committee on Finance choose to consider this measure, your Committee respectfully requests that it consider inserting an appropriation of \$700,000 to the Office of Community Services.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1737, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1737, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 408-14 Labor & Public Employment on H.B. No. 1973

The purpose of this measure is to:

- (1) Impose a penalty on an employer who does not pay an employee temporary partial disability benefits within fourteen calendar days after the end of the employee's customary work week; and
- (2) Clarify that an eligibility determination for disability benefits depends on the employee's entire record and the failure of the employee's attending physician to certify the employee's disability in a specialized form provided by the employer or the Department of Labor and Industrial Relations does not disqualify the employee from receiving disability benefits.

The Department of Labor and Industrial Relations, ILWU Local 142, and two individuals provided testimony in support of this measure. The Department of Human Resources Development, The Chamber of Commerce of Hawaii, Hawaii Insurers Council, and Building Industry Association of Hawaii provided testimony in opposition to this measure. The Department of Accounting and General Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring an employee's attending physician to certify the employee's disability every thirty days or, if the employee's attending physician is not available, certification by another physician who has examined the entirety of the employee's medical records;
- (2) Allowing contemporaneous certification of an employee's disability status to be waived and allowing the retroactive certification of a disability, provided that the employee's attending physician has served as the employee's previous physician or if the previous physician is not available, another physician has had the opportunity to examine the employee's previous medical records with regard to the current pending claim;

- (3) Stipulating that retroactive certification may be requested only once and for a period not exceeding twelve months prior to the date of the request;
- (4) Specifying that retroactive certification is only required during the period that the employee's injuries have not reached medical stabilization or the employee is enrolled in the vocational rehabilitation process;
- (5) Changing the effective date to July 1, 2300, for the purpose of facilitating further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns were raised regarding the timing of payment by employers. The current law allows the Director of Labor and Industrial Relations to waive penalties imposed upon employers who make payments in good faith, upon a showing that timely payments could not have been made due to conditions over which the employers or carriers had no control. Your Committee will continue to work with parties to resolve these concerns.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1973, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1973, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Yamane.

SCRep. 409-14 Labor & Public Employment on H.B. No. 2217

The purpose of this measure is to create a highly skilled labor force to meet the increased workforce needs of industries and occupations having potential for high growth by:

- (1) Allowing the Department of Labor and Industrial Relations to establish work groups to assist in identifying workforce trends, determining skill sets required for jobs being created or modified, and developing training to prepare qualified workers; and
- (2) Appropriating an unspecified amount of funds therefor.

The Hawaii Primary Care Association and Hawaii Farm Bureau Federation provided testimony in support of this measure. The Department of Labor and Industrial Relations provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that it furthers the Hawaii State Plan objectives for social-cultural advancement and ensures that government attitudes, actions, and services are sensitive to community needs; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider inserting an appropriation amount of \$500,000. Your Committee believes that \$400,000 is necessary for training programs and \$100,000 is necessary to establish working groups.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2217, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2217, H.D. 2.

Signed by all members of the Committee except Representative Yamane.

SCRep. 410-14 Labor & Public Employment on H.B. No. 2250

The purpose of this measure is to give the Board of Directors of the Hawaii Housing Finance and Development Corporation (Board) greater flexibility in setting the salary of its Executive Director by removing the limitation that the salary not exceed 85 percent of the salary of the Director of Human Resources Development.

The Department of Business, Economic Development, and Tourism and the Hawaii Housing Finance and Development Corporation provided testimony in support of this measure.

In recognition that providing an attractive benefits package can compensate for a lower base salary, your Committee has amended this measure by:

- (1) Giving the Board the option of considering altering the benefits package of its Executive Director in exchange for a salary that exceeds the salary level of civil service employees who receive benefits under Chapter 76, Hawaii Revised Statutes;
- (2) Requiring the Board to submit to the Legislature a report no later than 20 days prior to the convening of the regular session following each instance it adjusts the Executive Director's salary and include whether it adjusted the Executive Director's benefits package and the rationale for its decision; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2250, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2250, H.D. 1.

Signed by all members of the Committee except Representative Yamane.

SCRep. 411-14 Labor & Public Employment on H.B. No. 2257

The purpose of this measure is to enable the state to recruit and retain competent educational leadership by increasing the salary cap of the Superintendent of Education (Superintendent) from \$150,000 to \$250,000 per year.

The Board of Education and Hui for Excellence in Education provided testimony in support of this measure.

In recognizing that providing an attractive benefits package can compensate for lower base salary, your Committee has amended this measure by:

- (1) Giving the Board of Education (Board) the option of considering altering the benefits package of the Superintendent, who is exempt from chapter 76, Hawaii Revised Statutes, in exchange for a salary that exceeds the salary level of civil service employees who receive benefits under chapter 76, Hawaii Revised Statutes;
- (2) Requiring the Board to submit to the legislature a report no later than 20 days prior to the convening of the regular session following each instance it adjusts the Superintendent's salary and include whether it considered the option to withhold or alter the Superintendent's benefits package and its justification for its decision; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2257, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2257, H.D. 1.

Signed by all members of the Committee except Representative Yamane.

SCRep. 412-14 Labor & Public Employment on H.B. No. 2597

The purpose of this measure is to help ensure that students in all schools are taught by highly motivated, highly qualified teachers who are fairly compensated. Specifically, this measure enhances the Teacher National Board Certification Incentive Program by making the additional \$5,000 per year bonus for teachers who maintain current national board certification available to teachers who teach at a school in a focus, priority, or superintendent's zone.

The Department of Education, IMUAlliance, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2597, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 413-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2071

The purpose of this measure is to honor, support, and cherish the families of those United States Armed Forces members who have bravely sacrificed their lives for their country. Specifically, this measure establishes the last Sunday in September as "Gold Star Family Day" in Hawaii.

The Office of Veterans Services, Hawaii Family Forum, Veterans of Foreign Wars of the United States, Chamber of Commerce of Hawaii, Hawaii Catholic Conference, and several concerned individuals testified in support of this bill.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2071, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2071, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Brower, Wooley and McDermott.

SCRep. 414-14 Public Safety/Transportation on H.B. No. 1666

The purpose of this measure is to ensure public safety relating to fireworks by addressing the tracking, redistribution, and transportation of fireworks. Specifically, this measure:

- (1) Delineates the notification requirements for fireworks shippers;
- (2) Adds a definition of "redistribution" relating to fireworks; and

- (3) Clarifies the labeling size of display fireworks.

The Hawaii State Fire Council and the Honolulu Fire Department supported this measure.

As affirmed by the records of votes of the members of your Committees on Public Safety and Transportation that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1666 and recommend that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi, Fukumoto and McDermott.

SCRep. 415-14 Education on H.B. No. 1868

The purpose of this measure is to strengthen public safety in Hawaii by authorizing the issuance of general obligation bonds to fund the retrofitting of public school facilities so that they can also be used as emergency shelters.

The Department of Education, state Department of Defense, and several concerned individuals supported this bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1868 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 416-14 Education on H.B. No. 2008

The purpose of this measure is to encourage youth in Hawaii to pursue agricultural careers by appropriating \$75,000 for fiscal year 2014-2015 for the implementation and operation of the Future Farmers of America program.

The Department of Education, National Future Farmers of America Organization, Hawaii Farm Bureau Federation, Local Food Coalition, University of Hawaii PALS and PLACES, Hawaii State Teachers Association, and a concerned individual supported the bill. The Kohala Center submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2008 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Takai and Fale.

SCRep. 417-14 Education on H.B. No. 2457

The purpose of this measure is to promote the dental health of Hawaii's children by, among other things:

- (1) Requiring the Director of Health to participate in the National Oral Health Surveillance System, a national database managed by the federal Centers for Disease Control and Prevention and the Association of State and Territorial Dental Directors;
- (2) Requiring the Department of Health to establish, or enter into partnerships or agreements to administer, a school-based dental sealant program in a high-need demonstration school to provide sealants to high-risk students with susceptible permanent molar teeth;
- (3) Requiring the Department of Health to establish a plan for a statewide school-based dental sealant program;
- (4) Requiring the Department of Health to report to the Legislature about the Department's efforts to prioritize the prevention of tooth decay among the state's children; and
- (5) Appropriating funds for the Department of Health to establish, or enter into partnerships or agreements to administer, a school-based dental sealant program in a high-need demonstration school, including plans to implement the program on a statewide level.

The Department of Education, Department of Health, State Council on Developmental Disabilities, Pew Children's Dental Campaign, Good Beginnings Alliance, and a concerned individual supported the bill. The Hawaii Primary Care Association and a concerned individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2457, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 418-14 Education on H.B. No. 2562

The purpose of this measure is to support Hawaiian language education by establishing a task force within the Department of Education to locate potential, viable properties along the Waianae Coast, with a preference for a location in Nanakuli, on which to establish a Hawaiian language immersion school to educate students from kindergarten through grade twelve.

Three concerned individuals supported the bill. The Department of Education supported the intent of the bill. The University of Hawaii PALS

and PLACES Program and Center for Hawaiian Sovereignty Studies submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2562 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 419-14 Economic Development & Business on H.B. No. 2354

The purpose of this measure is to foster a film production industry in Hawaii by:

- (1) Establishing a creative film and media park to be administered by the Board of Directors of the High Technology Development Corporation;
- (2) Designating specific properties in West Oahu to be included in the park; and
- (3) Including the development of the park as part of the duties of the High Technology Development Corporation.

The University of Hawaii at West Oahu and a concerned individual testified in support of this bill. The Department of Business, Economic Development, and Tourism and a concerned individual supported the intent of this measure. The Hawaii Housing Finance and Development Corporation and High Technology Development Corporation provided comments.

Hawaii is blessed with a vibrant and growing entertainment economy. While the motion picture, television, and digital media industry has had a positive impact on the economy of Hawaii through job creation, increased tax revenues, and providing Hawaii's visitor industry with priceless marketing exposure on a global scale throughout the year, the lack of sufficient infrastructure in the State has hindered the growth of this industry. The creation of a film and media park would attract both national and international investments in film and media production, further strengthening and diversifying Hawaii's economy.

However, your Committee notes that, according to the University of Hawaii at West Oahu, the specific parcels of land cited in this measure are incorrect. Accordingly, your Committee has amended this bill by deleting references to specific tax map key designations delineating where the film and media park is to be established.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2354, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2354, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 420-14 Economic Development & Business on H.B. No. 1616

The purpose of this measure is to improve health outcomes for the people of Hawaii by updating the Hawaii State Planning Act's objectives for health to include a commitment to eliminating health disparities. Specifically, this bill updates the objectives to:

- (1) Explicitly address social determinants of health to reflect the latest medical findings relating to the health needs of Native Hawaiians, other Pacific Islanders, and Filipinos; and
- (2) Prioritize programs, services, interventions, and activities that address identified social determinants of health to reduce health disparities experienced by these groups.

The Office of Language Access, Office of Hawaiian Affairs, Hawaii Primary Care Association, HealthyPacific.Org, The Queen's Health Systems, Kokua Kalihi Valley, COFA-Community Advocacy Network, Asian American Network for Cancer Awareness Research and Training, and several concerned individuals testified in support of this measure.

The World Health Organization, the United States Department of Health and Human Services' Healthy People 2020, and the Centers for Disease Control and Prevention all recognize social determinants of health as the single most important factor in individual and population health outcomes, more so than genetic disposition or medical care. In a 2013 report titled, *Assessment and Priorities for Health & Well-Being in Native Hawaiians & Other Pacific Peoples*, the John A. Burns School of Medicine identified a number of social and other determinants of health for Native Hawaiians, other Pacific Islanders, and Filipinos, who collectively continue to have disparate health outcomes compared to the rest of the state population.

Your Committee believes that updating the Hawaii State Planning Act's objectives for health to include the elimination of health disparities and reducing these health disparities through a social determinants of health approach may directly and indirectly improve health outcomes and the quality of life for Native Hawaiians, other Pacific Islanders, Filipinos, and all residents of the State.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1616 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 421-14 Economic Development & Business on H.B. No. 2626

The purpose of this measure is to increase economic development in the State through promotion of manufacturing by establishing a temporary nonrefundable income tax credit for qualified manufacturing costs incurred for manufacturing products in Hawaii.

The Department of Business, Economic Development, and Tourism; Hawaii Food Manufacturers Association; Manufacturers Collective; Rumi Murakami Womenswear; High Technology Development Corporation; Kauai Chamber of Commerce; Hawaii Food Industry Association; Meadow Gold Dairies; KYD, Inc. dba: K. Yamada Distributors; and Enterprise Honolulu testified in support of this measure. The Chamber of Commerce of Hawaii and Hawaii Strategic Development Corporation testified in support of the intent of this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments.

As one of the most isolated land masses on Earth, Hawaii must import approximately ninety percent of all products consumed annually. However, manufacturers in Hawaii produce goods that are in demand across the United States and around the world. Thus, developing and supporting manufacturing in Hawaii could serve two purposes. First, in-state manufacturing could reduce Hawaii's need to import consumer products. Second, Hawaii could export more products made in-state leading to greater economic development.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and contributing to the economy by exporting manufactured goods. The Chamber estimates that in 2012, nearly \$570,000,000 in manufactured goods were exported from Hawaii. Providing a manufacturing tax credit would provide financial benefits to these manufacturers, thereby increasing their growth. The tax credit would also encourage other manufacturers to begin operations in Hawaii, thereby strengthening Hawaii's economy.

Your Committee has amended this measure by:

- (1) Specifying that the income tax credit for qualified manufacturing costs shall not include costs for which another tax credit is claimed;
- (2) Making amendments regarding the allocation of credits to a partnership, S corporation, estate, or trust to conform to section 704(b) of the Internal Revenue Code;
- (3) Changing the tax credit from a nonrefundable tax credit to a refundable tax credit;
- (4) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2626, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2626, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 422-14 Economic Development & Business on H.B. No. 2614

The purpose of this measure is to stimulate economic growth for the State and continue to develop the State's emerging aerospace sector by promoting the development of spacecraft launching capability through the provision of:

- (1) A general excise tax credit for amounts received for the construction of a space launch facility in Hawaii; and
- (2) A use tax exemption for the use of materials, parts, or tools imported or purchased for the construction of a space launch facility in Hawaii.

The Department of Transportation, Hawaii Island Economic Development Board, International Ventures Associates, and a concerned individual testified in support of this measure. The Department of Business, Economic Development, and Tourism supported the intent of this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Hawaii's unique mid-Pacific, near-equatorial location, diverse technological assets, resident technological expertise, and strategic ties with space-faring nations from around the Asia-Pacific region uniquely qualify our State as a premier, cost-effective, and globally competitive site for launching next-generation commercial spacecraft that will carry satellites, experimental payloads, and people into space. These operations would help expand Hawaii's role as a major contributor to, and beneficiary of, global space enterprise. Developing space launch facilities in Hawaii would position Hawaii as a leader in the emerging and economically lucrative commercial space transportation sector and in turn help to diversify and strengthen Hawaii's economy.

Your Committee notes that, according to the Department of Business, Economic Development, and Tourism, studies have been conducted regarding the aerospace industry in Hawaii and the establishment of a commercial spaceport on the Island of Hawaii. The Department also noted that it is currently conducting environmental assessment studies required to apply for a commercial spaceport operator's license from the Federal Aviation Administration which will enable "spaceplanes" to operate out of Hawaii airports, in particular, Kona International Airport. These studies should be reviewed as deliberations on this measure continue.

Your Committee has amended this measure by:

- (1) Changing its effective date to January 20, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2614, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2614, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 423-14 Economic Development & Business on H.B. No. 2060

The purpose of this measure is to achieve greater energy security for Hawaii by developing more self-sufficiency with regard to energy supply. Specifically, this measure:

- (1) Establishes a renewable fuels production tax credit; and
- (2) Repeals the ethanol facility tax credit.

The Department of Transportation, Pacific Biodiesel Technologies, Hawaii Renewable Energy Alliance, Blue Planet Foundation, Maui Venture Consulting LLC, and numerous concerned individuals testified in support of this measure. Ulupono Initiative testified in support of this bill with amendments. The Department of Business, Economic Development, and Tourism; Department of Taxation; and Tax Foundation of Hawaii provided comments.

Hawaii is one of the most isolated land masses on Earth and lacks the means of production for traditional petrochemical fuels. Hawaii imports nearly 90 percent of its energy supply, including various forms of fossil fuel. This makes the state extremely vulnerable to soaring prices or market disruptions which can hinder, cripple, or even devastate the State's economy and the well-being of its inhabitants. Thus, it is critical for Hawaii to become more energy self-sufficient. The establishment of a renewable fuels production tax credit has the potential to significantly increase renewable energy growth in Hawaii and address our future energy needs.

Your Committee has amended this measure by:

- (1) Specifying that the right to claim the renewable fuels production tax credit will be lost if a taxpayer claiming the credit fails to provide certain information in writing to the Department of Taxation and Department of Business, Economic Development, and Tourism;
- (2) Changing its effective date to January 20, 2050; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2060, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2060, H.D. 2.

Signed by all members of the Committee except Representative Cachola.

SCRep. 424-14 Higher Education on H.B. No. 1545

The purpose of this measure is to clarify the programs and activities for which the Community Colleges Special Fund can be used, including for required reserves.

The University of Hawaii Community Colleges supported the intent of the bill.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1545, H.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 425-14 Higher Education on H.B. No. 2620

The purpose of this measure is to help protect Hawaii's natural environment by requiring the University of Hawaii Sea Grant College Program to:

- (1) Prepare a report updating its 1996 report, "Hawaii's Readiness to Prevent and Respond to Oil Spills", including:
 - (A) Concentrating on the prevention and mitigation of a variety of contaminant spills into the environment;
 - (B) Identifying natural hazards and spill-risk plans; and
 - (C) Updating critical facilities and hazard maps in the state; and
- (2) In consultation with major stakeholders, submit its updated report to the Legislature prior to the convening of the Regular Session of 2016.

The Department of Health and a concerned individual supported the bill.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2620, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 426-14 Higher Education on H.B. No. 1953

The purpose of this measure is to help make higher education more accessible to students by appropriating an unspecified sum to the University of Hawaii to fund student employees at new or expanded worksites at each campus of the University of Hawaii.

Several concerned individuals supported the bill. The University of Hawaii supported the intent of the bill.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill, an appropriation of \$100,000 be inserted.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1953 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 427-14 Higher Education on H.B. No. 1742

The purpose of this measure is to help address the severe shortage of primary care providers in Hawaii, especially in rural areas, by appropriating funds for the Interdisciplinary Hawaii Health Systems Corporation Primary Care Training Program at Hilo Medical Center.

The Mayor of the County of Hawaii, the Council Member representing District 3 on the Hawaii County Council, Hawaii Health Systems Corporation, East Hawaii Region of Hawaii Health Systems Corporation, West Hawaii Regional Board of the Hawaii Health Systems Corporation, Hilo Medical Center Foundation, Hawaii Island Chamber of Commerce, Japanese Chamber of Commerce and Industry, Hawaii Medical Association, Hawaii Primary Care Association, Healthcare Association of Hawaii, and numerous concerned individuals supported the bill. Two concerned individuals submitted comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill, an appropriation in the amount of \$2,800,000 be inserted.

In addition, your Committee notes that this measure will not necessarily increase the number of medical students who graduate from the John A. Burns School of Medicine of the University of Hawaii.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1742, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1742, H.D. 2.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 428-14 Higher Education on H.B. No. 2180

The purpose of this measure is to support sustainable agriculture in Hawaii by appropriating funds for the creation of a pilot project at the College of Tropical Agriculture and Human Resources at the University of Hawaii to create new technologies for sustainable agriculture in the state through scientific research and support services.

The University of Hawaii and Hawaii Farm Bureau Federation supported the intent of the bill.

Your Committee has amended this bill by:

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

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill, an appropriation of \$1,000,000 be inserted.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2180, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2180, H.D. 1.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 429-14 Higher Education on H.B. No. 1931

The purpose of this measure is to help protect Hawaii's lucrative macadamia-nut industry by appropriating:

- (1) \$360,000 for fiscal year 2014-2015 for the Department of Agriculture to research and develop methods for the prevention and treatment of macadamia felted coccid in cooperation with the College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa; and
- (2) \$735,000 for fiscal year 2014-2015 for the College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa to research and develop methods for the prevention and treatment of macadamia felted coccid in cooperation with the Department of Agriculture.

The Department of Agriculture; College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa; Royal Hawaiian Orchards LP; Hawaii Farm Bureau Federation; MacFarms of Hawaii, LLC; and several concerned individuals supported the bill.

Your Committee has amended this bill by:

- (1) Deleting the amount of the appropriations; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill:

- (1) The sum of \$260,000 for fiscal year 2014-2015 be appropriated to the Department of Agriculture;
- (2) The sum of \$835,000 for fiscal year 2014-2015 be appropriated to the College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa; and
- (3) Funding be provided for a 1.0 full-time equivalent (FTE) entomologist position for the College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa.

In addition, your Committee respectfully requests that should your Committee on Finance decide to consider this measure, the appropriations' lapsing date set forth in section 4 of the bill be changed to June 30, 2016.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1931, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1931, H.D. 1.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 430-14 Higher Education on H.B. No. 2266

The purpose of this measure is to provide a general fund appropriation for employment costs for the members of University of Hawaii Collective Bargaining Unit (7) and their excluded counterparts.

The University of Hawaii, Department of Budget and Finance, University of Hawaii Professional Assembly, Hawaii Government Employees Association, Hawaii State AFL-CIO, and three concerned individuals supported this bill.

Your Committee has amended this bill by:

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

Your Committee finds that of the \$33,500,000 requested, \$19,500,000 is for pay increases for faculty members and lecturers--a three-percent increase effective July 1, 2013, and another three-percent increase effective July 1, 2014. Your Committee supports the request for \$19,500,000 and has placed this amount into its budget recommendations to your Committee on Finance. It is appropriate to place this sum into the Executive Budget, because it will be a recurring expense. However, the remaining sum of \$14,000,000 that was requested is an arbitrary amount based on a change in the means of financing as a result of section 3 in Act 164, Session Laws of Hawaii 2011, and is not supported by your Committee.

Furthermore, your Committee finds that the \$14,000,000 that was requested was for salary restorations that have already been paid to faculty members and lecturers with tuition dollars--\$14,000,000 per year since July 1, 2011. During the public hearing, the representative of the University of Hawaii Professional Assembly testified that all faculty members and lecturers have had their salaries restored in a timely manner. Therefore, the \$14,000,000 is not a collective bargaining appropriation but rather a request for the reimbursement of tuition dollars with general fund revenues. The University of Hawaii's budget testimony indicated that they intend to use the \$14,000,000 in order to free tuition dollars to finance revenue bonds for systemwide repair and maintenance projects.

The Conference Committee Report for H.B. No. 200 (2011), adopted the following position with respect to the \$14,000,000 salary restoration:

"The current collective bargaining agreement with UHPA calls for the restoration of original salaries on July 1, 2011. Your Committee on Conference believes the university is fully responsible for funding these costs. Accordingly, your Committee on

Conference has changed the means of financing for \$14 million in general funds to special funds."

Your Committee continues to support the intent of the statement above. Furthermore, as noted at the public hearing, your Committee on Labor and Public Employment has given its prior concurrence to these changes.

Your Committee strongly recommends that your Committee on Finance does not advance this bill, because the request for \$19,500,000 should be placed into the Executive Budget and the amount of \$14,000,000 is not supported by your Committee.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2266, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2266, H.D. 2.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 431-14 Transportation on H.B. No. 2351

The purpose of this measure is to bring the State into compliance with the Federal Motor Carrier Safety Regulations by amending or repealing statutes containing federal requirements that are addressed in the Hawaii Administrative Rules or otherwise deemed unnecessary.

The Hawaii Transportation Association and an individual testified in support of this measure. The Department of Transportation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2351 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Nakashima and Takumi.

SCRep. 432-14 Transportation on H.B. No. 2393

The purpose of this measure is to increase public safety regarding mopeds by:

- (1) Requiring all mopeds to be registered on a staggered basis;
- (2) Prohibiting the use of mopeds that are not in good working order on public roadways;
- (3) Extending certain police powers relating to vehicle inspection to include mopeds;
- (4) Requiring a certificate of inspection for all mopeds;
- (5) Including a penalty for a false certificate of inspection for mopeds;
- (6) Requiring moped operators to enroll in a safety course to operate their mopeds; and
- (7) Increasing the fine for modifying a moped.

The Honolulu Police Department and several individuals testified in support of this measure. Two individuals testified in opposition to this measure. The City and County of Honolulu Division of Motor Vehicle, Licensing and Permits Administration; Street Bikers United Hawaii; and an individual commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement for moped operators to enroll in a safety course to operate their mopeds;
- (2) Subjecting mopeds to the vehicle weight tax for registration purposes;
- (3) Clarifying the registration requirements for mopeds;
- (4) Changing the effective date to January 1, 2025, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2393, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2393, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Har, Nakashima and Takumi.

SCRep. 433-14 Transportation on H.B. No. 2563

The purpose of this measure is to address the transportation needs of the residents of the Leeward Coast by appropriating funds to the

Department of Transportation to conduct a feasibility study on the construction of an alternate access road to be built mauka of Farrington highway beginning at Lualualei Naval Magazine road which provides ingress and egress for the Leeward coast of Oahu. This measure also requires a report to the Legislature and appropriates funds for the study.

A concerned individual testified in support of this measure. The Department of Transportation and a concerned individual commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement that the feasibility study of an alternative access road include a timetable for the construction of the road;
- (2) Inserting provisions that require the Department of Transportation to conduct a traffic study and recommend improvements for traffic flow in the Central Oahu corridor and submit a report to the Legislature on this study;
- (3) Inserting provisions that establish a major accident investigation team in counties with a population of 500,000 or more to minimize related traffic delays caused by major accidents;
- (4) Including funding for the Central Oahu traffic study and costs associated with the establishment of a major accident investigation team;
- (5) Changing the appropriation to an unspecified amount, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests an appropriation amount of \$750,000.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2563, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2563, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Nakashima and Takumi.

SCRep. 434-14 Transportation on H.B. No. 1894

The purpose of this measure is to enable the operation of car-sharing organizations which represent a green transportation innovation that can significantly reduce miles traveled, oil imports, greenhouse gas emissions, and household transportation costs in the State by creating a car-sharing vehicle surcharge tax.

The City and County of Honolulu Department of Planning and Permitting; City and County of Honolulu Department of Transportation Services; Sierra Club of Hawaii; Blue Planet Foundation; Car2Go; Pacific Resource Partnership; and several individuals testified in support of this measure. EAN Holdings, LLC; Apollo Kauai; and an individual testified in opposition to this measure. The Department of Transportation; Office of Planning; Department of Taxation; Hawaii Energy Policy Forum at the University of Hawaii at Manoa; Tax Foundation of Hawaii; and Ulupono Initiative commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement that a car-sharing organization conduct at least 60 percent of its business with Hawaii residents; and
- (2) Specifying that the car-sharing vehicle surcharge tax shall be levied, assessed, and collected on a per-day rate for each vehicle available.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests that your Committee on Finance determine the appropriate daily car-sharing vehicle surcharge tax rate amount.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1894, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1894, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Nakashima and Takumi.

SCRep. 435-14 Transportation on H.B. No. 2352

The purpose of this measure is to expand the authority of the Director of Transportation over required motor vehicle and motor carrier vehicle inspections in the State.

The Department of Transportation; City and County of Honolulu Division of Motor Vehicle, Licensing and Permits; Hawaii Transportation Association; and an individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Removing the provisions giving the Director of Transportation greater administrative and enforcement rulemaking authority with

regard to safety inspection fees from vehicle owners and from the stations conducting the safety inspections; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2352, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2352, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Har, Nakashima and Takumi.

SCRep. 436-14 Transportation on H.B. No. 2428

The purpose of this measure is to improve transportation infrastructure in Hawaii by appropriating funds to:

- (1) Repair state roads and highways; and
- (2) Incentivize the repair of county roads and highways by matching funds that are used by the counties for road repairs, with certain conditions.

An individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Consolidating the amounts appropriated and allocated to the various counties into a single, lump sum appropriation of \$10,000,000 to be made available for use as matching funds for the repaving and repairing of county roads with certain restrictions;
- (2) Deleting the appropriation for state road repair;
- (3) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2428, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2428, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Nakashima and Takumi.

SCRep. 437-14 Labor & Public Employment on H.B. No. 2218

The purpose of this measure is to further the State's interest in conducting its employment practices based on merit principles through use of the civil service system by converting specified exempt positions to civil service status and limiting newly created exemptions to three years' duration unless extended by the Legislature.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure. The Department of Public Safety, Department of Commerce and Consumer Affairs, Office of Community Services, Department of Land and Natural Resources, Department of Human Resources Development, and an individual provided testimony in opposition to this measure. The University of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the conversion to civil service status of:
 - (A) Personnel hired by the Director of Commerce and Consumer Affairs for compliance resolution;
 - (B) Personnel hired by the Attorney General for criminal and juvenile justice coordination;
 - (C) Personnel hired by the Attorney General for crime research, prevention, and education;
 - (D) Personnel hired by the Commission on Water Resource management;
 - (E) Personnel hired by the Workforce Development Council;
 - (F) The Recycling Coordinator;
 - (G) Personnel hired by the Executive Director of the Office of Community Services;
 - (H) Personnel hired by the Department of Labor and Industrial Relations for the Hawaii Career Information Delivery System; and
 - (I) Financial institution examiners appointed by the Insurance Commissioner;

- (2) Specifying that newly created exemptions from civil service shall expire five years after their enactment and shall include a current and accurate position description;
- (3) Requiring any department, agency, office, or program affected by this Act to review and revise position descriptions for each position to be converted to a civil service position by July 1, 2015;
- (4) Delaying the conversion of specified positions until July 1, 2016;
- (5) Changing its effective date to July 1, 2300, for the purpose of facilitating further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2218, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2218, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 438-14 Labor & Public Employment on H.B. No. 2299

The purpose of this measure is to establish permanent or temporary privacy officer and security officer positions, subject to civil service, in the Department of Health in compliance with federal information privacy and security laws.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure. The Department of Health provided comments on this measure.

Your Committee has amended this measure by:

- (1) Temporarily exempting the privacy officer and security officer positions from civil service laws; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2299, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2299, H.D. 2.

Signed by all members of the Committee.

SCRep. 439-14 Labor & Public Employment on H.B. No. 2580

The purpose of this measure is to update the minimum wage by:

- (1) Increasing the minimum hourly wage annually by a specified amount from January 1, 2015, to January 1, 2017;
- (2) After January 1, 2017, adjusting the minimum wage rate by requiring the Department of Labor and Industrial Relations to adjust the minimum wage rate in accordance with the Honolulu Region Consumer Price Index; and
- (3) Deleting the tip credit.

The Hawaii State Commission on the Status of Women; League of Women Voters of Hawaii; Hawaii Catholic Conference; Catholic Charities Hawaii; ILWU Local 142; UNITE HERE Local 5; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Honolulu Pride; Gay, Lesbian, Bisexual, and Transgendered Caucus of the Democratic Party of Hawaii; Hawaii Ports Maritime Council; Hawaii State AFL-CIO; MoveOn.org; Hawaii Laborers' Union; HPBS, Inc.; Hawaii Alliance for Retired Americans; Hawaii Regional Council of Carpenters; Dr. Martin Luther King, Jr. Coalition; Hawaii Pilots Association; and numerous individuals provided testimony in support of this measure. The Hawaii Business League; Aloha Petroleum, Ltd.; Grand Café & Bakery; Hawaii Food Manufacturers Association; City Mill Company, Ltd.; Molokai Chamber of Commerce; Maui Chamber of Commerce; The Chamber of Commerce of Hawaii; Foodland Supermarket, Ltd.; Coffee Pacific, LLC; Food Pantry Ltd.; Hawaii Food Industry Association; Times Supermarkets; and numerous individuals provided testimony in opposition to this measure. The Department of Labor and Industrial Relations; Executive Office on Early Learning; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Lodging & Tourism Association; International Organization of Masters, Mates & Pilots; Tanaka of Tokyo Restaurants, Ltd.; Hawaii Nurses' Association, OPEIU Local 50; Keoki's Paradise; Anna Miller's and Bravo Restaurant; Kimo's Restaurant; Advocates for Consumer Rights; T S Restaurants; Faith Action for Community Equity; Hula Grill; Nursing Advocates & Mentors, Inc.; Filipino American Citizens League; Filipino Coalition for Solidarity; PHOCUSED; Kona-Kohala Chamber of Commerce; SAG-AFTRA Hawaii Local; Progressive Democrats of Hawaii; State Central Committee of the Democratic Party of Hawaii; University of Hawaii Professional Assembly; Seafarers International Union; Jose's Restaurant; Partners in Care; Duke's Beach House Maui; Duke's Canoe Club Kauai; Duke's Canoe Club Waikiki; Leilani's on the Beach; Sailors' Union of the Pacific; Island Princess; and several individuals provided comments on this measure.

Your Committee notes that it considered a number of measures that address the current minimum hourly wage in Hawaii. President Obama's decision to exercise executive power to pay federal contractors at the rate of \$10.10 per hour beginning in 2015 has increased pressure to follow suit and raise the state minimum wage to over \$10 per hour. Such an adjustment would be justified as the minimum hourly wage in Hawaii has not increased since January 1, 2007. However, recognizing the interconnected nature of Hawaii's economy and the difficulty that some small businesses may have with absorbing a rapid increase, your Committee has recommended a more moderate rate of increase over the next three years to enable businesses to plan for these increases.

Your Committee has also recommended that the future increases in minimum wage be tied to the Honolulu Region Consumer Price Index to enable economic and market forces to determine future minimum hourly wage adjustments. Your Committee believes that the Consumer Price Index will likely result in smaller annual increases in the minimum hourly wage compared with the larger increases required by irregular adjustments made by the Legislature.

Your Committee heard much discussion on the issue of a tip credit, which places a portion of the cost of employee pay directly on the generosity of the customer. This issue is generally limited to employers in the restaurant industry who have informed your Committee of the high hourly rate of pay, which is usually a direct function of the per person cost of a meal. Your Committee sought to reconcile the great disparity in the per person cost of meals in the wide range of restaurant establishments; however, your Committee was unsuccessful in this regard.

Your Committee notes that it is sensitive to concerns that an increase in the minimum hourly wage may be accompanied by a higher cost of living; however, one testifier noted that the cost of a tray of eggs increased from approximately \$9 per tray to \$12 per tray in the last three months. This increase in price occurred absent an increase in the minimum hourly wage during that time. This example illustrates the fact that prices continue to rise and the buying power of minimum wage earners continues to diminish.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2580 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 440-14 Agriculture on H.B. No. 2011

The purpose of this measure is to give the Agribusiness Development Corporation additional means to move Hawaii closer to food sustainability and self-sufficiency by, among other things:

- (1) Authorizing the Corporation to issue up to \$175,000,000 in revenue bonds to acquire specified agricultural lands owned by the Dole Food Company on the island of Oahu;
- (2) Establishing the Agribusiness Land and Facilities Special Fund that will be the depository of revenues from, and used to operate, manage, and maintain, the Dole Food Company lands;
- (3) Requiring counties to enact an agriculture subdivision code to promote agriculture; provided that should the counties fail to do so by 2015, the Corporation may establish a code;
- (4) Authorizing the Corporation to subdivide agricultural lands controlled by the State, exempt from county infrastructure and road requirements, to encourage farming; and
- (5) In awarding leases, requiring the Corporation to give priority to agricultural and livestock farmers who produce products for human consumption in the State.

The Trust for Public Land, North Shore Community Land Trust, and Ulupono Initiative supported this bill. The Department of Budget and Finance and Agribusiness Development Corporation commented on the measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2011 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 441-14 Agriculture on H.B. No. 2203

The purpose of this measure is to enable the complementary uses of utility scale solar energy generation and local food production on agricultural land.

Specifically, the measure:

- (1) Authorizes solar energy facilities to occupy more than ten per cent of the acreage of the parcel, or twenty acres of land, on agricultural land with soil classified by the Land Study Bureau's detailed land classification as overall (master) productivity rating class B or C if the area occupied by the solar energy facilities is also devoted to agricultural activities;
- (2) Authorizes solar energy facilities on agricultural land with soil classified by the Land Study Bureau's detailed land classification as overall (master) productivity rating class B if the solar energy facilities provide an area of land for agricultural food production that is equal to or greater than the area occupied by the solar energy equipment; and
- (3) Requires solar energy facilities and equipment on agricultural land to be decommissioned within twelve months of the conclusion of operation.

Hawaii Renewable Energy Alliance, First Wind Solar Group, Tin Roof Ranch, and one individual testified in support of the measure. The Board of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; and Land Use Commission commented on the measure.

Your Committee finds that the productive use of agricultural land is important for local food production and that utility scale energy projects on

agricultural land can enhance a property's agricultural productivity. Your Committee also finds that energy generation can improve the viability of land for agriculture by providing infrastructure and subsidizing land costs for complementary agricultural uses. Your Committee believes that by enabling the complementary uses of utility scale solar energy generation and local food production on agricultural land, this measure will increase both the State's energy self-sufficiency and food security.

Your Committee has amended the measure by specifying that solar energy facilities that occupy over ten per cent of a class B or C parcel's acreage shall be allowed if a special use permit is granted and the area occupied by the solar energy facilities is also made available for compatible agricultural activities at a lease rate that is at least fifty per cent below the fair market rent for comparable properties.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2203, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2203, H.D. 1, and be referred to the Committees on Energy & Environmental Protection and Water & Land.

Signed by all members of the Committee except Representative Cachola.

SCRep. 442-14 Agriculture on H.B. No. 2179

The purpose of this measure is to support diversified agricultural production to achieve the State's goal of food sustainability and self-sufficiency by establishing a cap for five years on the toll for water provided to water users by the Lower Hamakua Ditch irrigation system.

The Hawaii Farm Bureau Federation, Ulupono Initiative, and two concerned individuals supported this bill. The Hawaii Cattlemen's Council supported the intent of this measure. The Department of Agriculture provided comments on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion.
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

Should the Committee on Finance deliberate on this measure, your Committee requests that it cap the toll for water provided by the Lower Hamakua Ditch at 50 cents per one thousand gallons.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2179, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2179, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 443-14 Agriculture on H.B. No. 2178

The purpose of this measure is to reduce the dependence on imported feed and ultimately reduce costs to local livestock producers by establishing a grant program in the Department of Agriculture to reimburse qualified feed developers for their incurred feed development costs.

The Hawaii Cattlemen's Council, Inc., Maui Cattle Company, Hawaii Farm Bureau Federation, Big Island Dairy, LLC, Environmental Caucus of the Democratic Party of Hawaii, Ulupono Initiative, Mikilua Poultry Farm Inc., and four concerned individuals supported this bill. The Department of Agriculture supported the intent of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2178, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2178, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 444-14 Agriculture on H.B. No. 2361

The purpose of this measure is to prevent the counterfeiting of Hawaii's high quality coffee by extending the offense of false labeling of Hawaii-grown coffee to include:

- (1) Violations of the grade standard requirements; and
- (2) All stages of coffee production.

The Hawaii County Office of the Prosecuting Attorney, Hawaii Farm Bureau, Hawaii Coffee Growers Association, Hawaii Coffee Association, Greenwell Farms, and several concerned individuals supported this bill. The Department of Agriculture supported the intent of this measure. The Hawaii Farmers Union United and a concerned individual commented on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2361, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2361, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representative Cachola.

SCRep. 445-14 Agriculture on H.B. No. 2646

The purpose of this measure is to establish a school farm complex task force to explore the feasibility of establishing a school farm complex pilot project on the island of Oahu.

One individual submitted testimony in opposition to this measure. The Department of Agriculture, University of Hawaii -West Oahu, Hawaii Farm Bureau Federation, and one individual provided comments.

Your Committee finds that it is in the public interest to support agricultural self-sustainability. The creation of a school farm complex task force will further the goals of Hawaii's long-term agricultural sustainability plan by exploring the feasibility of establishing a school farm complex on Oahu to generate and perpetuate interest in farming and agriculture among school children.

Your Committee has amended this measure by:

- (1) Expanding the purpose clause to recognize other agricultural initiatives;
- (2) Adding to the task force the University of Hawaii - West Oahu Vice-Chancellor of Academic Affairs;
- (3) Designating as task force co-chairs the University of Hawaii - West Oahu Vice Chancellor of Academic Affairs and the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources Dean;
- (4) Replacing as a task force member the Board of Education Chair with the Superintendent of Education;
- (5) Inviting rather than mandating task force participation from private sector representatives;
- (6) Replacing on the task force a representative from the Kokua Foundation with representatives from nonprofit and community agriculture and education organizations;
- (7) Providing that the task force shall cease to exist on June 30, 2016; and
- (8) Making technical nonsubstantive changes for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2646, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2646, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Brower.

SCRep. 446-14 Agriculture on H.B. No. 2394

The purpose of this measure is to ensure that agricultural crops have a dependable supply of water by authorizing the issuance of an unspecified amount of general obligation bonds for capital improvements to irrigation systems in the State.

The Agribusiness Development Corporation, Hawaii Farm Bureau Federation, Hawaii Cattlemen's Council, and Land Use Research Foundation of Hawaii supported this bill. The Department of Agriculture supported the intent of this measure. The Department of Budget and Finance commented on this bill.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that the general obligation bond authorization be for the amount of \$11,000,000 with revenues allocated as follows:

- (1) \$1,000,000 for the Black Pipe Siphon Rehabilitation Project in Kekaha, Kauai;
- (2) \$5,000,000 for capital improvements to the Waiahole Water System; and
- (3) \$5,000,000 for capital improvements to irrigation system support facilities and continued improvements.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2394 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 447-14 Agriculture on H.B. No. 1990

The purpose of this measure is to strengthen the food safety aspect of the State's goal for food sustainability and self-sufficiency by establishing the Hawaii Good Agricultural Practices Program for farms growing food products. Specifically, the Program will:

- (1) Develop science- and risk-based good agricultural practices that reasonably reduce the potential for on-farm food borne illness;
- (2) Develop cost- and time-effective programs to educate and train farmers in good agricultural practices;
- (3) Provide for a voluntary verification of good agricultural practices compliance certification procedure; and
- (4) Develop a consumer information program to teach home practices for the treatment and handling of agricultural food products.

The bill also appropriates an unspecified amount for the Program.

The Hawaii Farm Bureau Federation, Local Food Coalition, Maui School Garden Network, Kohala Center-HISGN, Hawaii Aquaculture and Aquaponics Association, and a few concerned individuals supported this bill. The Department of Agriculture supported the intent of this measure.

Should the Committee on Finance deliberate on this bill, your Committee respectfully request that the sum of \$1,000,000 be appropriated for the Hawaii Good Agricultural Practices Program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1990 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 448-14 Agriculture on H.B. No. 2469

The purpose of this measure is to assess the long-term impact of and develop model strategies to eradicate little fire ants by requiring the County of Hawaii to implement a one-year pilot project (Pilot Project) to:

- (1) Address the spread of the ants within county parks;
- (2) Test pesticides to control and eradicate the ants; and
- (3) Develop model eradication strategies that can be used by other counties.

The Department of Land and Natural Resources, District 3 Councilmember of the Hawaii County Council, Hawaii Farm Bureau Federation, and a concerned individual supported this bill. The Department of Agriculture and Hawaii Pest Control Association supported the intent of this measure. The Nature Conservancy of Hawaii commented on this bill.

Your Committee has amended this measure by:

- (1) Requiring the Pilot Project to collaborate with the Hawaii Ant Lab of the Pacific Cooperative Studies Unit of the University of Hawaii (Hawaii Ant Lab);
- (2) Changing the appropriation for the Pilot Project to an unspecified sum;
- (3) Requiring the Hawaii Ant Lab to implement a pilot project to establish a canine detection team to find and eradicate little fire ant populations;
- (4) Appropriating an unspecified sum to establish a canine detection team based on the island of Maui for statewide use in detecting little fire ants;
- (5) Requiring the Hawaii Invasive Species Council to create a statewide public awareness campaign to assist in the prevention and eradication of little fire ants, emphasizing testing, detecting, and modes of transporting invasive species;
- (6) Appropriating an unspecified sum to the Hawaii Invasive Species Council for a statewide public awareness and education campaign on little fire ants; and
- (7) Making technical, nonsubstantive amendments for style, consistency, and clarity.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider the following appropriations for the designated purposes:

- (1) \$306,237 for the Pilot Project;
- (2) \$250,000 for the canine detection team pilot project; and
- (3) \$350,000 for the little fire ant statewide public awareness campaign.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord

with the intent and purpose of H.B. No. 2469, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2469, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Cachola.

SCRep. 449-14 Agriculture on H.B. No. 2466

The purpose of this measure is to establish use and development standards for farm dwellings and employee housing units on agricultural land.

Specifically, the measure:

- (1) Limits the use of farm dwellings and employee housing units to farmers and their immediate family members;
- (2) Limits the use of employee housing units to employees and their immediate family members; and
- (3) Establishes standards relating to land area use, square footage, subdivisions, cluster development, and building of farm dwellings and employee housing units.

The Department of Agriculture, Office of Planning, Institute for Human Services, Sierra Club of Hawaii, and one individual submitted testimony in support of the measure. The Hawaii Farm Bureau Federation and Hawaii Association of Realtors submitted testimony in opposition to the measure.

Your Committee finds that allowing higher-valued, nonagricultural uses on agricultural land contributes to the cycle of increasing land values and agricultural disinvestment, which ultimately makes land unaffordable for farming operations. Your Committee believes that, by ensuring that the people living in farm dwellings and employee housing units actively and currently work on agricultural land upon which the structures are situated, this measure will discourage the nonagricultural residential use of agricultural lands that increase the value of agricultural land.

Your Committee has amended this measure by:

- (1) Changing the square footage limitation for farm dwellings and employing housing units to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2466, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2466, H.D. 1, and be referred to the Committee on Housing.

Signed by all members of the Committee.

SCRep. 450-14 Human Services on H.B. No. 1808

The purpose of this measure is to assist low-income households by:

- (1) Increasing the income threshold to claim the low-income household renter tax credit from \$30,000 to \$59,700;
- (2) Increasing the tax credit from \$50 to \$146; and
- (3) Adjusting the credit for inflation for taxable years after December 31, 2014.

PHOCUSED; Catholic Charities Hawai'i; Partners in Care; Hawaiian Community Assets; Hawai'i Appleseed Center for Law and Economic Justice; Americans for Democratic Action Hawaii; Blueprint for Change; Goodwill Industries of Hawaii, Inc.; Hawaii State Commission on the Status of Women; and several concerned citizens supported this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments on the measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, and inserting a blank date for the taxable years to which it applies to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that as this tax credit has not been amended since 1981, should your Committee on Finance choose to hear this measure and should there be moneys available, your Committee respectfully requests that your Committee on Finance give this measure due consideration.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1808, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1808, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 451-14 Human Services on H.B. No. 1596

The purpose of this measure is to help teach children to read, strengthen family relationships, and improve family attitudes towards school and learning by establishing and funding a literacy program within the Department of Human Services that would allow collaboration with nonprofit groups to provide direct services to children and their parents.

Hawaii Literacy, Read Aloud America, and a concerned individual submitted testimony in support of this bill. The Office of the Lieutenant Governor supported the intent of the bill. WorldPeacePlan.org commented on this bill. The Department of Human Services opposed the bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the appropriation amount is currently unspecified, and respectfully requests that your Committee on Finance consider specifying the amount to be appropriated, should it choose to consider this measure.

Your Committee has not addressed vendor selection, which your Committee believes should be done by the Department of Human Services.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1596, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1596, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 452-14 Human Services on H.B. No. 2163

The purpose of this measure is to maintain the best interests of a child in cases where the custody of the child is disputed by ensuring inclusion of both parents and equal contact in the raising of the child, unless the court finds by clear and convincing evidence that this arrangement is not in the best interests of the child.

Several concerned individuals supported this bill. The State of Hawaii Judiciary and several concerned individuals opposed this bill.

Your Committee has amended this measure by:

- (1) For cases where the custody of a minor child is disputed:
 - (A) Deleting language that would have required the court to ensure inclusion of both parents and equal contact in the raising of the child, unless the court finds by clear and convincing evidence that this arrangement is not in the best interest of the child; and
 - (B) Requiring the court to instead consider frequent, continuing, and meaningful contact of the child with each parent, unless one or both parents are unable to act in the best interests of the child;
- (2) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2163, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2163, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Woodson.

SCRep. 453-14 Human Services on H.B. No. 1504

The purpose of this measure is to:

- (1) Require the family court to issue a separate child support order for each child; and
- (2) Automatically terminate child support payments for a child when the obligee is no longer eligible to receive child support payments, as required by law.

Several concerned individuals testified in favor of this bill. The Department of the Attorney General and several concerned individuals opposed the bill.

Your Committee notes the concerns of the Attorney General and has amended this measure by:

- (1) Clarifying that unless specified otherwise, all child support orders are presumed to apply on a per child basis;

- (2) Deleting the phrase "as provided by law" with regard to termination of a child support order because the support order itself shall dictate when the order is terminated;
- (3) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1504, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1504, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 454-14 Human Services on H.B. No. 2429

The purpose of this measure is to provide income tax relief to low-income taxpayers by:

- (1) Increasing the standard deduction and allowable personal exemption amounts for all taxpayers; and
- (2) Increasing the number of exemptions that may be claimed by taxpayers who are sixty-five years of age or older and who meet certain income requirements.

The Hawaii Primary Care Association supported this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion;
- (2) Inserting a blank date for the taxable years to which this measure applies; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

This measure has been brought before the Legislature repeatedly over the years. As it proceeds to your Committee on Finance and through the legislative process, your Committee encourages further discussion and consideration of this measure and the important issues it seeks to address.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2429, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2429, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 455-14 Human Services on H.B. No. 2478

The purpose of this measure is to help people with disabilities move toward self-sufficiency by creating a non-refundable income tax credit equal to 50 percent of qualified wages paid to an individual with a disability during the individual's first six months of employment.

The Department of Human Services, State Council on Developmental Disabilities, Hawaii Disability Rights Center, and several concerned individuals supported the bill. The Department of Taxation, Tax Foundation of Hawaii, and a concerned individual commented on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to apply to taxable years beginning after December 31, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee recognizes that the testimony presented on this measure expressed some concerns with the operations and application of the tax credit created by this measure. Particularly of note were concerns about an employer's potential ability to claim both a tax credit under this measure and a tax deduction under additional state or federal provisions for the same employee wages as well as the inadequacy of protections against improper behavior, such as repeatedly terminating and re-hiring an individual to artificially extend the credit eligibility period or claiming the credit for wages paid to a non-qualified employee. Your Committee finds that these concerns and others raised in public testimony raise important issues that merit further discussion as this measure progresses through the legislative process.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2478, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2478, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 456-14 Human Services on H.B. No. 1981

The purpose of this measure is to protect child victims of serious crimes by giving their cases priority over other pending cases on a court's criminal case calendar. This will prevent setbacks in the child's recovery which may be caused from the child's having to testify about traumatizing events after prolonged delay and after healing has begun.

Two concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making numerous technical, nonsubstantive amendments to conform with standard drafting conventions.

Your Committee recognizes that although this is an important issue, very little testimony was received, and no testimony was provided by any of the affected governmental agencies. Because of the mandatory nature of the proposals set forth in this measure, your Committee respectfully requests that should your Committee on Judiciary choose to consider this measure, it should consider soliciting input from agencies who may be interested or involved.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1981, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1981, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 457-14 Judiciary on H.B. No. 1651

The purpose of this measure is to require the collection of use taxes by sellers of tangible personal property who enter into agreements under which a person in the State refers potential purchasers to the seller, including by an internet link or web site, or performs related services in the State on behalf of the seller.

The Chamber of Commerce of Hawaii testified in support of the measure. The Department of Taxation and the Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that the Department of Taxation is unable to monitor the majority of transactions to which the existing use tax applies, which hinders its ability to collect the use taxes that are owed to the State. Your Committee also finds that this measure is an attempt to improve the State's ability to capture taxes owed by out-of-state businesses by specifying the business activities that would constitute a sufficient connection with Hawaii to enable the State to tax these activities.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1651 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives McDermott and Thielen.

SCRep. 458-14 Judiciary on H.B. No. 1741

The purpose of this measure is to establish an infrastructure capacity construction loan revolving fund to provide loans to the counties, state agencies, and private developers to finance the costs of infrastructure improvements that would increase the capacity of the infrastructure facilities, including regional sewer, water, drainage systems, and roads.

The measure also appropriates an unspecified sum for the making of loans pursuant to the measure.

The Office of Information Management and Technology, Pacific Resource Partnership, Chamber of Commerce Hawaii, and Building Industry Association of Hawaii testified in support of the measure. The Department of Budget and Finance and the Department of Commerce and Consumer Affairs offered comments on the measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1741 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives McDermott and Thielen.

SCRep. 459-14 Judiciary on H.B. No. 1993

The purpose of this measure is to classify as a class C felony the commission of an act of physical abuse in the presence of a family or household member who is less than fourteen years of age.

The Department of the Prosecuting Attorney of the City and County of Honolulu, the Office of the Prosecuting Attorney of the County of Hawaii, the Office of the Prosecuting Attorney of the County of Kauai, the Police Department of the County of Kauai, the Police Department of the County of Maui, the Kauai Chamber of Commerce, the Pacific Alliance to Stop Slavery, and three individuals testified in support of this measure. The Office of the Public Defender testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1993 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives McDermott and Thielen.

SCRep. 460-14 Judiciary on H.B. No. 948

The purpose of this measure is to amend existing law relating to procedures for petition and hearing for court-ordered, involuntary medical treatment of inmates and detainees in the custody of the Department of Public Safety. Specifically, this measure:

- (1) Adds definitions of "danger to physical harm to others" and "danger of physical harm to self";
- (2) Provides for the filing of a petition for involuntary medical treatment in either the district or circuit court;
- (3) Allows for a declaration of the need for involuntary medical treatment to be filed with the petition for involuntary medical treatment as an alternative to an affidavit;
- (4) Changes the time within which a person must be examined from two to five days prior to the filing of a petition for involuntary medical treatment;
- (5) Clarifies the list of persons who are required to be notified of the hearing on the petition for involuntary medical treatment;
- (6) Expands the court's ability to grant reasonable delay the hearing on the petition for involuntary medical treatment for good cause;
- (7) Provides the court greater flexibility in appointing a guardian ad litem or temporary guardian to represent the individual in proceedings for the petition for involuntary medical treatment; and
- (8) Clarifies the effective expiration date of the order for persons who return to custody after release.

The Department of Public Safety and Department of the Attorney General testified in support of this measure. The Office of the Public Defender submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the definition of "danger of physical harm to others" to not refer to harm to self;
- (2) Modifying the notice requirement for hearings on petitions to provide involuntary medical treatment to an inmate or detainee by reinstating the list of persons to be served, in addition to the inmate or detainee's legal guardian or emergency contact, and specifying that at least one of those persons must be served, thereby retaining the standing of those individuals to seek a delay of the hearing on the petition; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 948, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 948, H.D. 2.

Signed by all members of the Committee except Representative McDermott.

SCRep. 461-14 Judiciary on H.B. No. 1647

The purpose of this measure is to continue to provide criminal justice services to the community by appropriating funds for grants-in-aid to the Department of the Prosecuting Attorney of the City and County of Honolulu for the career criminal prosecution unit, victim witness assistance program, veterans court, drug court, and Hawaii's opportunity probation with enforcement program.

The Crime Victim Compensation Commission, Department of the Prosecuting Attorney of the City and County of Honolulu, and an individual testified in support of this measure.

Your Committee has amended this measure by specifying the following sums to be inserted as appropriation amounts for the following City and County of Honolulu Department of the Prosecuting Attorney programs:

- (1) \$344,015 for the career criminal prosecution unit;
- (2) \$183,651 for the victim witness assistance program;
- (3) \$50,799 for the veterans court program;
- (4) \$107,788.22 for the drug court program; and
- (5) \$337,244 for Hawaii's opportunity probation with enforcement program.

Technical, nonsubstantive changes were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1647, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1647, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 462-14 Judiciary on H.B. No. 2167

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to clarify the Legislature's authority to authorize the political subdivisions, such as counties, to issue tax increment bonds and to exclude those bonds in calculating the debt limit of the political subdivisions.

The Building Industry Association of Hawaii and the Chamber of Commerce of Hawaii testified in support of this measure. The Department of the Attorney General and the Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the definition of a "tax increment bond" by:
 - (A) Removing the cap on the maximum number of years for which the bonds may be issued;
 - (B) Specifying that tax valuations for tax increment bonds are based on the fiscal year prior to the commencement of public works, public improvements, and other actions; and
 - (C) Establishing that the commencement of public works, public improvements, or other actions will be determined by the effective date specified by resolution of the political subdivision;
- (2) Clarifying the ballot question by referencing legislation previously passed by the Legislature that addressed the ability of the political subdivisions, such as counties, to create tax increment districts and issue tax increment bonds; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2167, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2167, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 463-14 Judiciary on H.B. No. 2309

The purpose of this measure is to increase administrative fines for violations of Department of Health laws and rules from a maximum of \$1,000 per day to an unspecified amount.

The Department of Health testified in support of this measure.

The Chamber of Commerce of Hawaii, Hawaii Restaurant Association, and Hawaii Food Industry testified in opposition to this measure.

Your Committee has amended this bill by:

- (1) Inserting \$3,000 as the maximum administrative penalty that can be assessed per day; and
- (2) Providing that the maximum administrative penalty shall be adjusted for inflation on an annual basis, applying the United States Department of Labor Consumer Price Index for All Urban Consumers (CPI-U) for the previous year to determine the adjusted maximum administrative penalty.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2309, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2309, H.D. 2.

Signed by all members of the Committee except Representatives McDermott and Thielen.

SCRep. 464-14 Judiciary on H.B. No. 2490

The purpose of this measure is to enhance the existing juvenile justice system by, among other things:

- (1) Requiring the Executive Director of the Office of Youth Services to create a personalized reentry plan for all persons committed to the Hawaii Youth Correctional Facilities;
- (2) Clarifying the criteria upon which the Executive Director may release committed persons;

- (3) Increasing the likelihood for positive outcomes from juvenile probation by:
 - (A) Standardizing supervision requirements, including mandating probation officers to create an individualized case plan for each child placed on probation;
 - (B) Authoring probation officers to impose informal graduated sanctions for violations of, or award incentives to reward compliance with, rules and terms of probation; and
 - (C) Establishing an earned discharge program for early release from probation to incentivize compliance with rules and terms of probation;
- (4) Enhancing interdepartmental collaboration by establishing a Statewide Juvenile Justice Interdepartmental Cluster to provide coordinated services to certain children under the jurisdictions of the family court;
- (5) Strengthening noncommitment options by standardizing criteria for informal adjustment, creating informal diversion mechanisms for children who do not need justice system intervention, and codifying an administrative monitoring process;
- (6) Requiring the family courts to conduct a risk assessment for each child before disposition to assist the family courts in making appropriate disposition, and to inform reentry and case plans;
- (7) Authorizing the court to suspend proceedings when the risk assessment indicates substance or mental health issues to allow for earlier treatment; and
- (8) Establishing a temporary Juvenile Justice Oversight Advisory Council to monitor and oversee the implementation of this measure.

The Office of the Governor, Judiciary, Office of Youth Services, Office of the Public Defender, Mayor of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, Department of the Prosecuting Attorney of the County of Maui, Hawaii Youth Services Network, Hale Kipa, Epic Ohana, Community Alliance on Prisons, and several concerned individuals testified in support of this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu testified in opposition to this bill. The Department of Health, Crime Victim Compensation Commission, and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Repealing Chapter 321D, Hawaii Revised Statutes, relating to an interdepartmental cluster for services to children; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2490, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2490, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 465-14 Energy & Environmental Protection on H.B. No. 1714

The purpose of this measure is to address the effects of climate change through 2050 to protect the State's economy, health, environment, and way of life by establishing a statewide climate adaptation plan. Among other things, this measure, as received would establish an Interagency Climate Council to facilitate ongoing coordination among state departments, counties, federal agencies, and partners to assess major areas of climate change affecting the State and counties through 2050.

The Department of Land and Natural Resources; Office of Planning; Department of Health; State Sustainability Coordinator; Office of Environmental Quality Control; University of Hawaii; Chamber of Commerce of Hawaii; Nature Conservancy; and a few concerned individuals testified in support of this measure. The Windward Ahupuaa Alliance and Building Industry Association commented on this measure.

Your Committee specifically notes the concerns raised by the Department of Land and Natural Resources and the Office of Planning, as the agencies tasked with the establishment of the climate adaption plan. The Department of Land and Natural Resources requested that this climate change campaign initially focus on the effects of sea level rise. By focusing on sea level rise, the State would best be able to address the most urgent vulnerabilities, while building a solid framework for research, planning, and interagency coordination to address other major areas of climate change impacts through a long-term process.

After careful deliberation, your Committee has amended this measure by adopting the recommendations from the Department of Land and Natural Resources and the Office of Planning. As amended, this measure:

- (1) Focuses on the impact of sea level rise on Hawaii and supports ongoing climate change adaption efforts of the State, in addition to addressing the effects of climate change through 2050 to protect the State's economy, health, environment, and way of life;
- (2) Establishes the Interagency Climate Adaptation Committee, instead of the Interagency Climate Council, to be placed administratively with the Department of Land and Natural Resources;
- (3) Requires the Interagency Climate Adaptation Committee to develop interim, final, and updated reports on Sea Level Rise Vulnerability and Adaptation and to submit the reports to the Legislature. The interim report is due November 30, 2015; the final report is due November 30, 2016; and update reports are due November 30, 2021, and every five years thereafter until November 30,

2050;

- (4) Authorizes the Office of Planning to coordinate the development of a statewide climate adaptation plan and use the Report as a framework for other climate threats and climate change adaptation priorities identified in Act 286, Session Laws of Hawaii 2012; and
- (5) Makes the following appropriations:
 - (A) \$57,720 and associated overhead of \$1,154 for FY 2014-2015 for staffing and resources relative to strategic climate change adaptation plans to be expended by the Office of Planning;
 - (B) \$57,720 and associated overhead of \$1,154 for FY 2014-2015 for staffing and resources relative to strategic climate change adaptation plans to be expended by the Department of Land and Natural Resources;
 - (C) \$400,000 for FY 2014-2015 to research and develop a coordinated, multidisciplinary sea level rise vulnerability and adaptation report to be expended by the Department of Land and Natural Resources; and
 - (D) \$50,000 for FY 2014-2015 for the Office of Planning to carry out its duties.

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

Signed by all members of the Committee except Representative Hanohano.

SCRep. 466-14 Energy & Environmental Protection on H.B. No. 2029

The purpose of this measure is to prohibit entities such as homeowners associations from denying a person the right to purchase and install ENERGY STAR products on or within a single family residential dwelling or townhouse the person owns.

Building Industry Association of Hawaii and two individuals testified in support of this measure. An individual testified in opposition to this measure. Sierra Club of Hawaii and an individual commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2029, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2029, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 467-14 Energy & Environmental Protection on H.B. No. 2619

The purpose of this measure is to maximize cost-effective energy storage programs and technologies by establishing energy storage portfolio standards.

Sierra Club of Hawaii; Renewable Energy Action Coalition of Hawaii; Sempra USGP; Sunrun, Inc.; and an individual testified in support of this measure. The Office of the Director, Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; Public Utilities Commission; and Hawaiian Electric Companies commented on this measure.

Your Committee has amended this measure by:

- (1) Replacing the specific production goals for Energy Storage Portfolio Standards with a standard for determination of Energy Storage Portfolio Standards by the Public Utilities Commission;
- (2) Clarifying that the establishment of Energy Storage Portfolio Standards is not intended to delay or prevent the Public Utilities Commission's approval of appropriate energy storage projects or alternate means to deliver clean energy; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2619, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2619, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 468-14 Energy & Environmental Protection/Agriculture on H.B. No. 1938

The purpose of this measure is to ensure that current standards that are published by the American Society for Testing and Materials and the Society of Automotive Engineers are adopted for use by the Department of Agriculture.

Aloha Petroleum, Ltd. and Hawaii Petroleum Inc. testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Agriculture; and Chevron Productions Company commented on this measure.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1938 and recommend that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Brower, Cachola, Cullen, Hanohano, Nishimoto, Ohno, Fale and Ward.

SCRep. 469-14 Energy & Environmental Protection on H.B. No. 1939

The purpose of this measure is to extend the Hawaii Clean Energy Initiatives Program plans to 2050 and to extend the Renewable Portfolio Standards to include one hundred percent renewable clean energy by 2050.

Hawaii Renewable Energy Alliance, Blue Planet Foundation, and Sierra Club of Hawaii testified in support of this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Public Utilities Commission; Department of Business, Economic Development, and Tourism; Hawaiian Electric Company, Inc.; Maui Electric Company; and Hawaii Electric Light Company commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the provisions that extended the Hawaii Clean Energy Initiatives Program plans to 2050 and extended the Renewable Portfolio Standards to include one hundred percent renewable clean energy by 2050;
- (2) Requiring that each electric utility company that sells electricity for consumption in the State develop a renewable portfolio standard goal of one hundred per cent of its net electricity sales;
- (3) Requiring the Public Utilities Commission to investigate and produce a report containing recommendations on the feasibility of updating and extending the Hawaii Clean Energy Initiative Program plans and Renewable Portfolio Standards to include benchmarks beyond 2030, including a timeline with incremental goals for reaching a goal of one hundred percent renewable energy; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1939, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1939, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 470-14 Energy & Environmental Protection on H.B. No. 1543

The purpose of this measure is to amend the net energy metering law to:

- (1) Require excess electricity credits that remain unused after each 12-month reconciliation period to be carried over to the next 12-month period (Credit Carryover); and
- (2) Require the electric utility to make available to eligible customer-generators the option of receiving compensation in lieu of credit for excess kilowatt-hours generated, at a rate to be determined by the Public Utilities Commission (Compensation Option).

The Hawaii Solar Energy Association and two concerned individuals testified in support of this measure. Hawaiian Electric Company, Inc., Maui Electric Company, and Hawaii Electric Light Company testified in opposition to this measure. The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Public Utilities Commission; and Department of Business, Economic Development, and Tourism commented on this measure.

Your Committee has amended this measure by removing the Credit Carryover and Compensation Option and requiring instead that the Public Utilities Commission conduct a study on existing net energy metering contracts with customer-generators.

The Public Utility Commission would be required to submit its report to the Legislature and consider the following:

- (1) The value of electricity generated by residential eligible customer-generators that enter the grid;
- (2) The costs associated with the upgrades for the grid to enable residential eligible customer-generators to connect to the grid;
- (3) The feasibility of providing residential eligible customer-generators with the option of receiving compensation for any unused credits for excess electricity from the eligible customer-generator that is fed back to the grid and a potential rate of compensation for the excess electricity; and
- (4) The feasibility of allowing credits for excess electricity produced by eligible customer-generators and fed back to the grid to carry over to subsequent years.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1543, as amended herein, and recommends that it pass Second Reading in the form attached

hereto as H.B. No. 1543, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Hanohano.
(Representative Say voted no.)

SCRep. 471-14 Health on H.B. No. 2522

The purpose of this measure is to promote quality health care procedures in the State by requiring each health insurance policy contract, plan, or agreement issued or renewed in the State after December 31, 2014, to provide health insurance coverage of medically necessary orthodontic services for the treatment of orofacial anomalies.

The Hawaii Dental Association and several individuals testified in support of this measure. Kaiser Permanente Hawaii and Family Voices of Hawai'i supported the intent of this measure. The Hawaii Medical Service Association and The Chamber of Commerce of Hawaii opposed this measure. The Department of Commerce and Consumer Affairs, Department of Health, Hawaii Pacific Health, and American Family Life Assurance Company of Columbus commented on this measure.

Your Committee recognizes the necessity for individuals to obtain insurance coverage to obtain medically necessary orthodontic treatment of orofacial anomalies.

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

- (1) Requiring the Auditor to assess the social and financial effects of proposed mandatory health insurance coverage for medically necessary orthodontic services for the treatment of orofacial anomalies for all policies, contracts, plans, or agreements issued or renewed in the State after December 31, 2015, instead of statutorily mandating the coverage at this time;
- (2) Specifying that as of January 1, 2016, benefits that exceed the essential health benefits under section 1302(b) of the Patient Protection and Affordable Care Act of 2010, shall not be required of a qualified health plan when the plan is offered in the State through the Hawaii Health Insurance Exchange by a health carrier;
- (3) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2522, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2522, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Woodson.

SCRep. 472-14 Health on H.B. No. 2093

The purpose of this measure is to extend the sunset date of Act 21, First Special Session Laws of Hawaii 2009, to June 30, 2019, thereby extending by five years the requirement that home care agencies be licensed by the Department of Health.

The Department of Health, Healthcare Association of Hawaii, Chamber of Commerce of Hawaii, and several individuals supported this measure. An individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2093 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 473-14 Health on H.B. No. 2094

The purpose of this measure is to protect consumers of home care services by appropriating \$150,000 for Fiscal Year 2014-2015 for the establishment of one full-time equivalent (1.00 FTE) permanent position in the Department of Health to facilitate the licensing of home care agencies.

The Healthcare Association of Hawaii and The Chamber of Commerce of Hawaii supported this measure. An individual opposed this measure. The Department of Health and an individual commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting the amount of the appropriation; and
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion on this measure.

Your Committee also made technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee wishes to note that the funding being requested in this measure is for a full-time, permanent position to start the home care

agency licensing process so fees can be collected. After the initial year of this program, the licensing fees collected are expected to cover the administrative costs of licensing home care agencies. Should this measure be heard by the Committee on Finance, your Committee respectfully requests it to consider appropriating \$150,000 for Fiscal year 2014-2015 to establish the full-time equivalent permanent position specified in this bill.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2094, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2094, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 474-14 Health on H.B. No. 2131

The purpose of this measure is assure the health and safety of adult residential care homes and community care foster family homes by establishing requirements in statute that require:

- (1) The Department of Health (DOH) to provide a licensee of such a facility with a list of deficiencies found pursuant to a DOH visit or inspection of the licensee's facility and operations;
- (2) A licensee to return, within 30 working days of receiving a list of deficiencies, a written corrective action plan to DOH to address the deficiencies; and
- (3) DOH to approve or revise any corrective action plan within 30 working days of receiving the plan.

The United Group of Home Operators and several individuals supported this measure. DOH opposed this measure.

Your Committee has amended this bill by:

- (1) Specifying that DOH has 60 working days from receipt of a corrective action plan to provide a response to the licensee;
- (2) Deleting the provision requiring DOH to approve or revise a corrective action plan within 30 working days of receiving the plan;
- (3) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2131, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2131, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 475-14 Health on H.B. No. 2213

The purpose of this measure is to authorize the issuance of up to \$60,000,000 in special purpose revenue bonds to assist West Maui Hospital and Medical Center Foundation, Inc., to finance the establishment of a hospital in West Maui.

The Mayor of the County of Maui, Council Chair of Maui County Council, Council Vice Chair of Maui County Council, and two individuals supported this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting the amount of the special purpose revenue bonds authorized for issuance; and
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2213, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2213, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 476-14 Health on H.B. No. 2277

The purpose of this measure is to support health care transformation in the State by, among other things, effective July 1, 2015:

- (1) Establishing an Office of Health Care Transformation to be headed by a Health Care Transformation Officer within a newly-created Hawaii Health Care Planning and Policy Authority, which replaces the State Health Planning and Development Agency; and
- (2) Transferring the powers, duties, personnel, records, property, appropriations, funds, and other items specified in this measure of the Health Care Transformation Program temporarily placed in the Office of the Governor, to the Hawaii Health Care Planning and Policy Authority.

The Office of the Governor, Department of Health, Hawaii Medical Service Association, Hawaii Pacific Health, Ho'ola Lahui Hawaii, Hawaii Primary Care Association, Community Alliance for Mental Health, United Self Help, and an individual supported this measure. The Hawaii Health Authority and two individuals opposed this measure.

Upon consideration, your Committee has amended this measure by:

- (1) Extending from July 1, 2015, to June 30, 2017, the duration of the Health Care Transformation Program that is established and temporarily placed within the Office of the Governor;
- (2) Requiring the Governor to submit progress reports containing the Health Care Transformation Program to the Legislature prior to the 2015 and 2016 Regular Sessions, and extending the Governor's submittal of the final report to the Legislature on the Health Care Transformation Program to prior to the 2017 Regular Session;
- (3) Specifying that effective July 1, 2017, all rights, powers, functions, duties, appropriations, records, equipment, employees, deeds, leases, contracts, and other property of the Health Care Transformation Program in the Office of the Governor are transferred to the Hawaii Health Care Planning and Policy Authority;
- (4) Appropriating funds for the Healthcare Transformation Program Coordinator to carry out the functions, operations, and purposes of the Health Care Transformation Program;
- (5) Changing its effective date to July 1, 2050, to encourage continued discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2277, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 477-14 Health on H.B. No. 2316

The purpose of this measure is to provide emergency funding to the Hawaii Health Systems Corporation (HHSC) to address the funding shortfall by appropriating \$15,500,000 for Fiscal Year 2013-2014 to support the functions of HHSC and its regional health care systems in sustaining their services.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 188 to the Legislature, requested immediate consideration and passage of this bill by the Legislature.

The HHSC Corporate Board of Directors; HHSC Kauai Region Board of Directors; United Public Workers, AFSCME, Local 646, AFL-CIO; and an individual supported this measure.

Your Committee has amended this bill by:

- (1) Deleting the specified amount in the appropriation; and
- (2) Changing its effective date to July 1, 2050, to facilitate continued discussion. Technical, nonsubstantive amendments were made for clarity, consistency, and style.

Your Committee notes HHSC's emergency appropriation request of \$18,200,000 for Fiscal Year 2013-2014 as indicated in its testimony.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2316, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2316, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 478-14 Health on H.B. No. 2315

The purpose of this measure is to enable the Hawaii Health Systems Corporation to set rates for copies of medical records, exempt from the Uniform Information Practices Act.

This measure specifies that copies of medical records requested from the Hawaii Health Systems Corporation regional system facilities shall be paid for by the requestor in an amount based on the facility's actual cost of preparation that shall be no less than \$1 per page and no more than \$2 per page.

The Hawaii Health Systems Corporation supported this measure. The Office of Information Practices commented on this measure.

Your Committee has amended this bill by:

- (1) Authorizing the Hawaii Health Systems Corporation to set a flat rate for searching for, reviewing, segregating, and copying medical records for certain requests;

- (2) Clarifying that the rate for copying medical records shall be no less than \$1 per page and no more than \$2 per page; and
- (3) Changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2315, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2315, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 479-14 Health on H.B. No. 2262

The purpose of this measure is to save taxpayer money and avoid overpayment of benefits and waste of public funds by allowing the Department of Health to share, pursuant to a written agreement and upon request, death information with state agencies that maintain official lists of persons in the ordinary course of the agency's activities and are prohibited by federal law from sharing information from the lists.

The Department of the Attorney General, Hawaii Employer-Union Health Benefits Trust Fund, and Department of Budget and Finance provided testimony in support of this measure. The Department of Health and Department of Human Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Allowing the Department of Health to develop and implement a systems interface to electronically deliver death information with other state agencies;
- (2) Inserting a sunset date of July 1, 2016; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2262, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2262, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 480-14 Consumer Protection & Commerce on H.B. No. 2400

The purpose of this measure is to provide temporary disability benefits to employees who suffer a disability as a result of organ donation.

The Department of Labor and Industrial Relations testified in support of this measure.

Your Committee finds that organ donation is a vital resource for successful organ transplantations. Your Committee further finds that providing temporary disability benefits to organ donors who suffer a disability as a result of organ donation will encourage future organ donations.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2400 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 481-14 Consumer Protection & Commerce on H.B. No. 2355

The purpose of this measure is to help ensure that women facing infertility have access to available health care services by expanding eligibility for in vitro fertilization insurance coverage.

The Hawaii Health Systems Corporation and four individuals testified in support of this measure. The Chamber of Commerce of Hawaii and The Hawaii Catholic Conference opposed this measure. The Department of Commerce and Consumer Affairs, Department of Human Services, Hawaii Medical Service Association, and Kaiser Permanente Hawaii submitted comments.

Your Committee finds that in vitro fertilization provides an option for women who are diagnosed with infertility and desire to have a child. Although mandatory insurance coverage for the treatment of infertility through in vitro fertilization has existed in Hawaii for decades, the current law only requires health insurance policies in the State to provide a one-time benefit for in vitro fertilization procedures and imposes various eligibility requirements that preclude many women from accessing these benefits. This measure amends the eligibility requirements for in vitro fertilization insurance coverage to expand access to this health care option and increases coverage to up to three in vitro cycles in the lifetime of the insured.

Your Committee has amended this measure by making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2355, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2355, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 482-14 Consumer Protection & Commerce on H.B. No. 1943

The purpose of this measure is to:

- (1) Require the Public Utilities Commission (PUC) to adopt rules for improved accessibility to connect to the Hawaii electric system; and
- (2) Appropriate funds to the PUC for the initiation of a proceeding no later than July 1, 2014, to discuss upgrades to the Hawaii electric system for anticipated growth of customer generation.

Hawaii PV Coalition; Hawaii Solar Energy Association; Alliance for Solar Choice; SolarCity; Sunrun, Inc.; Hawaii Renewable Energy Alliance; Sierra Club of Hawaii; Blue Planet Foundation; RevoluSun; Rising Sun Solar; and several concerned individuals testified in support of this measure. The Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; PUC; Department of Business, Economic Development, and Tourism; and Hawaiian Electric Company, Inc., Maui Electric Company, and Hawaii Electric Light Company commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the purpose section;
- (2) Replacing the prescriptive requirements of grid interconnection for the PUC with provisions that allow for PUC oversight based on advanced grid modernization principles;
- (3) Clarifying the PUC proceeding regarding modernization of the electric grid in the State and the required utility reports to the PUC;
- (4) Adding an appropriation of an amount to be determined, for the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs to represent the interest of consumers in the PUC proceeding; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests an appropriation amount of \$750,000 for the PUC and that your Committee on Finance determine an appropriate amount for the Division of Consumer Advocacy within the Department of Commerce and Consumer Affairs.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1943, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1943, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 483-14 Consumer Protection & Commerce on H.B. No. 2525

The purpose of this measure is to address certain health insurance market reforms required by the Patient Protection and Affordable Care Act (PPACA).

Specifically, this measure:

- (1) Requires individual health insurance plans and small group plans to establish premium rates based upon pure community rating; and
- (2) Establishes and appropriates moneys for a state innovation waiver task force to examine the feasibility of alternatives to certain health reforms in the PPACA and develop a plan for applying for a state innovation waiver that meets the requirements of the PPACA.

Hawaii Medical Services Association submitted testimony in support of this measure. The Department of Commerce and Consumer Affairs and ProService Hawaii submitted comments.

Section 1201 of the PPACA limits the variation among health insurance premium rates for adults in the individual and small group markets to no more than a ratio of 3:1 based upon age. Generally, this permits insurance premium rates for older adults to be no more than three times the premium rates charged to younger adults. Your Committee finds that there is a high percentage of older adults in Hawaii's privately insured population. For example, as of February 8, 2014, the Hawaii Health Connector reported a total of 4,149 persons enrolled in health insurance plans sold through the Connector. Of those enrollees, the distribution by age is as follows:

AGE	NUMBER OF ENROLLEES
Under 18	410
18-25	230
26-34	538
35-44	549
45-54	710
55-64	1302
65 and Over	410

Your Committee observes that the majority of enrollees are ages forty-five and older. The required limits on age rating result in disproportionately higher premiums for older insureds. Your Committee is concerned that small employers are already being impacted by increases in premium rates that result from the required age-based premium ratio. Your Committee cautions that dramatic premium rate increases may prompt small employers to delay hiring new employees or to reduce existing employees' work hours to avoid the requirement to provide health insurance under the Hawaii Prepaid Health Care Act. Accordingly, your Committee believes that a "pure" community rating, or a ratio of 1:1, would produce a more equitable balance of insurance premium rates across all age groups. In addition, a temporary subsidy to offset premium increases due to new age rating criteria in the small group and individual markets would provide relief for small businesses and individuals until premium rates stabilize.

Accordingly, your Committee has amended this measure by:

- (1) Deleting provisions relating to the state innovation waiver task force and the appropriation to support the task force;
- (2) Establishing a temporary premium subsidy program for individual and small group plans sold through the Hawaii Health Connector to offset increases in health insurance premiums that result from the application of age-based premium ratings required by the PPACA;
- (3) Making an appropriation to fund the temporary premium subsidy program;
- (4) Changing the effective date to July 1, 2012, to facilitate further discussion on the measure; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2525, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2525, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 484-14 Consumer Protection & Commerce on H.B. No. 2174

The purpose of this measure is to improve long-term outcomes for persons with autism spectrum disorders by requiring health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for autism spectrum disorder treatment.

The Special Education Advisory Council, Hawaii Disability Rights Center, Experiad Solutions, Malama Pono Autism Center, Autism Speaks, Hawaii Medical Association, and several individuals provided testimony in support of this measure. The Chamber of Commerce of Hawaii provided testimony in opposition to this measure. The Department of Human Services, Department of Commerce and Consumer Affairs, State Council on Developmental Disabilities, Hawaii Medical Service Association, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the age of coverage for the screening, including well-baby and well-child screening, diagnosis, and evidence-based treatment of autism spectrum disorders to an unspecified age;
- (2) Allowing an insurer to request a review of a treatment plan not more than twice every twelve months unless otherwise agreed to be necessary;
- (3) Specifying that an individual receiving treatment for autism spectrum disorders shall continue to receive treatment during the review of a treatment plan;
- (4) Specifying that the provisions of this measure shall not apply to non-grandfathered plans in the individual and small group markets that are required to include essential health benefits under the Patient Protection and Affordable Care Act;
- (5) Changing the effective date of this measure to July 1, 2012, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that other states have used twenty-one years of age as the cut off age for the autism benefits provided in this measure. Therefore, your Committee recommends that twenty-one years of age be inserted into the measure. However, your Committee respectfully requests that your Committee on Finance further examine this issue. Your Committee further notes that it is in the State's best interest to adopt the autism coverage benefits in this measure as soon as possible because the State may be liable for these benefits pursuant to a future judicial decree.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2174, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2174, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 485-14 Consumer Protection & Commerce on H.B. No. 2618

The purpose of this measure is to establish an income tax credit for each grid-connected energy storage property that is installed and placed in service in the State during the taxable year beginning after December 31, 2014; provided that the tax credit shall not be available for taxable years beginning after December 31, 2025. The tax credit may be claimed as either an investment credit or utilization credit.

Ulu pono Initiative; Princeton Energy Group; Blue Planet Foundation; Hawaii PV Coalition; Hawaii Renewable Energy Alliance; and two concerned individuals testified in support of this measure. The Public Utilities Commission; Department of Business, Economic Development, and Tourism; Department of Taxation; and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the definition of "energy storage capacity" to include measurement by megawatts, in addition to megawatt-hours;
- (2) Changing the capacity requirement in the definition of "grid-connected energy storage property" to include a capacity of at least one megawatt;
- (3) Clarifying that any of the tax credits in this measure cannot be used in conjunction with any existing tax credit;
- (4) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should your Committee on Finance deliberate on this measure, your Committee respectfully requests that the investment credit percentages and the utilization credit amounts be determined.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2618, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2618, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 486-14 Consumer Protection & Commerce on H.B. No. 2224

The purpose of this measure is to help residents and prospective residents of clean and sober group homes to access a stable, alcohol- and drug-free, home-like living environment in residences that are in compliance with federal, state, and county requirements and minimum quality standards by:

- (1) Establishing a registry for clean and sober homes within the Department of Health;
- (2) Amending the statute on county zoning to better align the functions of state and county jurisdictions to comply with federal law; and
- (3) Excluding clean and sober homes from the Residential Landlord-Tenant Code.

The Department of Commerce and Consumer Affairs, Department of Health, Department of Public Safety, and Hawaii Substance Abuse Coalition provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting the provisions excluding clean and sober homes from the Residential Landlord-Tenant Code; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the Residential Landlord-Tenant Code provides important protections for landlords and tenants that should apply to clean and sober homes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2224, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2224, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 487-14 Consumer Protection & Commerce on H.B. No. 2244

The purpose of this measure is to provide the public with greater donor protections and to facilitate the Attorney General's transitioning to electronic registration systems for registered charitable organizations and their commercial co-venturers and professional solicitors by:

- (1) Clarifying the existing registration requirements;
- (2) Requiring conspicuous disclosures by for-profit businesses and charitable organizations at collection bins for household items, clothing, and other donated items;
- (3) Allowing the electronic filing of a professional solicitor's end of campaign financial report and imposing late fees on late submissions;
- (4) Clarifying when a final accounting is due by a commercial co-venturer conducting cause related marketing and authorizing the Attorney General to impose a civil penalty on any commercial co-venturer who violates section 467B-5.5(b), Hawaii Revised Statutes;
- (5) Eliminating the annual fee for charities that normally receive under \$25,000 in contributions; and

- (6) Clarifying the exemption for accredited educational institutions.

The Department of the Attorney General testified in support of this measure. The Hawaii Alliance of Nonprofit Organizations provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring that the written consent of a charitable organization to a co-venturer contain a statement that specifies that a final accounting on a per unit basis be given by the commercial co-venturer to the charitable organization no more than 90 days after the end of the charitable sales promotion;
- (2) Changing the effective date of this measure to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2244, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2244, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 488-14 Consumer Protection & Commerce on H.B. No. 2484

The purpose of this measure is to:

- (1) Remove the requirement that a class 14 brewpub licensee manufacture not more than 30,000 barrels of malt beverages on the licensee's premises during the license year;
- (2) Establish a new class 18 liquor license class for small craft producer pubs; and
- (3) Make conforming amendments relating to liquor license classes.

Maui Brewing Co. testified in support of this measure. NAIFA testified in opposition of this measure. The Liquor Commission, City and County of Honolulu; Hawaii Liquor Wholesalers Association; and Southern Wine and Spirits of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Prohibiting brewpub and small craft producer pub licensees from selling intoxicating liquor purchased from a class 1 manufacturer licensee for consumption on the premises;
- (2) Amending the requirement that a class 16 winery licensee manufacture not more than 20,000, instead of 10,000, barrels of wine on the licensee's premises during the license year;
- (3) Changing the effective date of this measure to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2484, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2484, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 489-14 Consumer Protection & Commerce on H.B. No. 2052

The purpose of this measure is to increase access to provider orders for life-sustaining treatment (POLST) by:

- (1) Updating references from "physician orders for life-sustaining treatment" to "provider orders for life-sustaining treatment" throughout Chapter 327K, Hawaii Revised Statutes;
- (2) Expanding health care provider signatory authority to include advanced practice registered nurses; and
- (3) Correcting inconsistencies over terms used to describe who may sign a POLST form on behalf of a patient.

The Executive Office on Aging, Healthcare Association of Hawaii, Hawaii Medical Service Association, Kokua Mau, and numerous individuals testified in support of this measure. An individual testified in opposition to this measure. An individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the term "legal representative" to "legally authorized representative" and removing the reference to a power of attorney in the definition because it is already referenced in the definition of agent under section 327E-2, Hawaii Revised Statutes;

- (2) Requiring the Department of Health to develop and adopt a sample POLST form;
- (3) Changing the effective date of this measure to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that this measure ensures that a POLST is signed by a legally authorized representative. Your Committee further notes that it received testimony that stated that there are several flaws with some of the POLST forms currently used. Therefore, your Committee required the Department of Health to develop and adopt sample POLST forms by administrative rule. Your Committee respectfully requests that the Committee on Judiciary further examine this issue.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2052, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.B. No. 2052, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 490-14 Consumer Protection & Commerce on H.B. No. 2332

The purpose of this measure is to update Hawaii's Uniform Controlled Substances Act, Chapter 329, Hawaii Revised Statutes (HRS), to be consistent with changes in federal law, as required by section 329-11, HRS.

The Department of Public Safety and Honolulu Police Department testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding the substance perampanel into schedule III of the Uniform Controlled Substances Act; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2332, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2332, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 491-14 Consumer Protection & Commerce on H.B. No. 2497

The purpose of this measure is to eliminate corporate successor liability under specified conditions.

Retail Merchants of Hawaii provided testimony in support of this measure. The Hawaii Association for Justice provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Specifying that successor corporations shall remain liable for liabilities arising from a tort action; and
- (2) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion.

Your Committee respectfully requests that your Committee on Judiciary examine whether the amendments made to this measure will create large loopholes in the elimination of corporate successor liability.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2497, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2497, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 492-14 Consumer Protection & Commerce on H.B. No. 1961

The purpose of this measure is to ensure impartiality in medical examinations for workers' compensation claims.

More specifically, this measure:

- (1) Requires independent medical examinations and permanent impairment rating examinations for workers' compensation claims to be performed by physicians mutually agreed upon by employers and employees; and
- (2) Allows for the use of an out-of-state physician under certain conditions.

The Hawaii Government Employees Association, ILWU Local 142, Work Injury Medical Association of Hawaii, and two individuals testified in

support of this measure. The Department of Human Resources Development, Department of Human Resources of the City and County of Honolulu, Air Central Inc., Building Industry Association of Hawaii, General Contractors Association of Hawaii, Healy Tibbitts Builders, Inc., Heide & Cook LLC, King & Neel, Inc., Mechanical Contractors Workers' Compensation Self-Insurance Group, the National Federation of Independent Business Hawaii, PDCA of Hawaii Workers' Compensation Self-Insurance Group, Society for Human Resource Management - Hawaii Chapter, Times Supermarkets, and Tomco Corp. testified in opposition to this measure. The Department of Labor and Industrial Relations, Hawaii Injured Worker Association, and the National Association of Mutual Insurance Companies submitted comments on the measure.

Your Committee finds that independent medical examinations for workers' compensation claims are conducted by physicians who are designated and paid by the employer. Because they are selected and paid by the employer, these physicians are often viewed as suspect by employees making workers' compensation claims. Your Committee also finds that this measure attempts to counter perceptions of bias by requiring independent medical examinations and permanent impairment rating examinations for workers' compensation claims to be performed by physicians who are mutually agreed upon by employers and employees.

Your Committee finds that despite whatever solution is proposed, both sides decry favoritism toward the other. Your Committee respectfully requests that subsequent Committees to which this measure is referred consider amending the measure to establish a procedure to be followed when the parties cannot mutually agree upon a physician, whereby the name of a physician is randomly drawn from a hat.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1961, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1961, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 493-14 Consumer Protection & Commerce on H.B. No. 2528

The purpose of this measure is to require vendors, who have been awarded a contract through the Centers for Medicare and Medicaid Services to provide medical supplies to residents of the State, to have a physical location or administrative office in the State.

The Hawaii State Center for Nursing and the Healthcare Association of Hawaii submitted testimony in support of the measure. The Hawaii Association of Health Plans and the Hawaii Medical Service Association submitted testimony in opposition to the measure.

Your Committee received testimony which stated that limiting the competitive bidding vendor pool for the provision of medical supplies to only companies with a local presence could cause healthcare costs to rise by limiting competition for these services. However, your Committee finds that specialized medical equipment being delivered late or not at all can be a health care cost driver, eliminating any potential savings. Further, your Committee notes that delivery issues with specialized medical equipment, prosthetics, orthotics, and supplies have delayed the release of patients from hospitals and other medical facilities thereby unnecessarily increasing health care costs. Requiring medical suppliers to have a physical presence in the State will help reduce equipment delivery delays and ultimately provide a net benefit to medical patients.

Your Committee has amended this measure by changing the effective date to July 1, 2112, to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2528, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2528, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 494-14 Energy & Environmental Protection on H.B. No. 2191

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Anaergia Inc. with the development of facilities for renewable non-fossil fuel energy production on the island of Maui.

Anaergia Services, LLC and Ulupono Initiative testified in support of this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2345, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2191, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2191, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 495-14 Energy & Environmental Protection on H.B. No. 1731

The purpose of this measure is to authorize the issuance of special purpose revenue bonds for the processing of sewage into sewage derived fuel.

Lyon Associates, Inc. and a concerned individual testified in support of this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by:

- (1) Identifying "Clean Communities, LLC, a Hawaii corporation" as the entity that will be assisted by the issuance of the special purpose revenue bonds; and
- (2) Changing the effective date to July 1, 2345, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1731, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1731, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 496-14 Energy & Environmental Protection/Water & Land on H.B. No. 2359

The purpose of this measure is to prohibit and establish penalties for hydraulic fracturing and the collection, storage, treatment, or discharge of wastewater from hydraulic fracturing.

A Councilmember of Kauai County Council; Kanaka Maoli'O Puna; Village Green Society; MoveOn Honolulu Council; Hawaii's Thousand Friends; and numerous concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Land and Natural Resources; Hu'ena Power; Indigenous Consultants, LLC; Innovations Development Group; Big Island Community Coalition; and a concerned individual testified in opposition to this measure. Life of the Land and Sierra Club of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the definition of "hydraulic fracturing" does not include drilling into underground geologic formations for the purpose of obtaining drinking water;
- (2) Including a sunset date of July 1, 2017, and changing the effective date to January 28, 2878, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purpose of clarity.

Your Committee notes that it may be beneficial for the Department of Health to collaborate with the Department of Land and Natural Resources to establish rules regarding hydraulic fracturing and its potential impact on the supply of safe drinking water.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2359, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2359, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 497-14 Agriculture on H.B. No. 2357

The purpose of this measure is to recognize the ahu moku system as a means to achieve food sustainability and self-sufficiency in the State by authorizing the Aha Moku Advisory Committee to provide advice to the Chair of the Board of Land and Natural Resources on establishing and applying traditional Hawaiian konohiki management practices to restore fishery food stocks and environmental well-being in consultation with specified fishing communities.

The Aha Moku Advisory Committee and three concerned individuals supported this measure. Four concerned individuals opposed this measure. The Department of Land and Natural Resources and the Center for Hawaiian Sovereignty Studies commented on this measure.

Your Committee respectfully requests that the Committee on Finance, should it consider this measure, address the potential need for the creation of a Konohiki Management Plan by the Aha Moku Advisory Committee in effectuating the intent of this measure. Your Committee also respectfully requests the Committee on Finance to consider an appropriation in the amount of \$110,000 to the Aha Moku Advisory Committee to implement the responsibilities established by this measure, including the cost of travel.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2357 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Ohno.

SCRep. 498-14 Agriculture/Economic Development & Business on H.B. No. 1534

The purpose of this measure is to nurture agricultural innovation to develop a more significant food-focused agricultural industry by establishing the Agriculture Innovation Grant Program (Program) to fund start-up agricultural businesses developing innovations for:

- (1) Feed production;
- (2) Food waste recycling;

- (3) On-farm energy efficiency; and
- (4) Soil health and conservation.

The Hawaii Cattlemen's Council, Ulupono Initiative, Maui Cattle Company, Kuahiwi Ranch, Energy Excelsior, Hawaii Farmers Union United, Kona Chapter-Hawaii Farmers Union United, Big Island Dairy LLC, and a number of concerned individuals supported this bill. The High Technology Development Corporation and Hawaii Farm Bureau Federation supported the intent of this measure. The Department of Budget and Finance commented on this bill.

Your Committees have amended this measure by:

- (1) Adding start-up businesses that develop innovations relating to food production, food processing, and marketing of food products as agricultural businesses that qualify as applicants under the Program; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

Your Committees find that the new Program may benefit from administrative and implementation input from the Agribusiness Incubation Program within the University of Hawaii College of Tropical Agriculture and Human Resources and encourages such collaboration. Further, your Committees encourage a review and analysis of the funding mechanism of the Agriculture Innovation Grant Fund, with the goal of making the Fund self-sufficient.

Further, should the Committee on Finance deliberate on this measure, your Committees respectfully request that it appropriate \$4,000,000 for the Program.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1534, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1534, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Ito.

SCRep. 499-14 Health on H.B. No. 2318

The purpose of this measure is to require public agencies to share with the Judiciary upon the Judiciary's request, information pertaining to defendants about whom fitness to proceed or penal responsibility is an issue and for whom forensic examinations are ordered by a court, so that the information, regardless of other laws, can be given in a timely manner to forensic examiners.

The Department of Health, Department of Public Safety, The Queen's Medical Center, and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2318 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 500-14 Health on H.B. No. 1723

The purpose of this measure is to amend the procedures for the discharge of a patient from a psychiatric facility following a civil commitment. Specifically, this measure:

- (1) Clarifies that the notice requirements of section 334-60.7, Hawaii Revised Statutes, only apply to civil commitments as a result of fitness to proceed hearings under chapters 704 and 706, Hawaii Revised Statutes;
- (2) Specifies that notice be mailed to the person's last known address; and
- (3) Requires the court to conduct a hearing prior to the termination of a standing commitment order within 72 hours of receiving a written objection to the discharge of a patient.

The Department of Health; Healthcare Association of Hawaii; Queen's Health Systems; and United Public Workers, AFSCME, Local 646, AFL-CIO (UPW) testified in support of this measure. The Department of the Attorney General; State of Hawaii Judiciary; and Hawaii Health Systems Corporation provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that notice, with a certificate of service, for individuals committed through a civil proceeding shall be filed with the family court and by mail for persons entitled to receive notice pursuant to the order of commitment, at their last known address;
- (2) Specifying that the prosecuting attorney of the county from which the person was originally committed shall receive courtesy notice of intent to discharge or notice of patient's admission to voluntary treatment for individuals committed through both criminal and civil proceedings;
- (3) Clarifying that the five-day limit for filing an objection is referring to calendar days;

- (4) Changing the requirement that a hearing be conducted upon receiving written objection from a within 72 hour to an "as soon as possible" standard; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1723, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1723, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 501-14 Health on H.B. No. 2301

The purpose of this measure is to establish a one year limit that an individual, acquitted by means of mental health condition, can remain on post-acquittal conditional release, when the offense charged was a non-violent petty misdemeanor, misdemeanor, or violation.

The Department of Public Safety testified in support of this measure. An individual testified in opposition to this measure. The Department of Health, Hawaii Disability Rights Center, and Department of the Prosecuting Attorney of the City and County of Honolulu provided comments.

Your Committee notes that several concerns were raised by the Department of the Prosecuting Attorney of the City and County of Honolulu regarding mental fitness examinations. Should the Committee on Judiciary choose to consider this measure, your Committee respectfully requests that this issue, especially in the context of the number and type of examiners, be addressed.

Your Committee has amended this measure by:

- (1) Amending forensic examination requirements and procedures for those charged with class A, B, and C felonies, as well as nonfelonies;
- (2) Authorizing the Department of Public Safety to transfer individuals who require a level of mental health care exceeding a care level capable of being provided by the Department of Public Safety to Department of Health treatment facilities;
- (3) Changing its effective date to July 1, 2014; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2301, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2301, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 502-14 Health on H.B. No. 2411

The purpose of this measure is to improve access to health care services in Hawaii by:

- (1) Requiring reimbursement for services provided through telehealth to be equivalent to reimbursement for the same services provided via face-to-face contact between a health care provider and a patient;
- (2) Clarifying that a health care provider of telehealth includes primary care providers, mental health providers, and oral health providers; and
- (3) Replacing references to "telemedicine" with "telehealth" throughout the Hawaii Revised Statutes.

The Office of The Governor, Department of Health, State Council on Developmental Disabilities, Office of Hawaiian Affairs, Healthcare Association of Hawaii, Hawaii Health Systems Corporation, Hawaii Medical Association, Hawaii State Center for Nursing, American Association of Nurse Practitioners, The Queen's Health Systems, American Organization of Nurse Executives - Hawaii, Community Alliance for Mental Health, United Self Help, Hawaii Pacific Health, and several individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Human Services, Hawaii Medical Board, Hawaii Medical Service Association, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Consumer Protection & Commerce consider whether insurance plans would be able to reconcile current practices in telehealth and telemedicine with the changes proposed in this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2411, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2411,

H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 503-14 Health on H.B. No. 2095

The purpose of this measure is to remove an unnecessary barrier to out-of-state acceptance of Hawaii's professional licensing standards for advanced practice registered nurses by changing current statutory language referring to recognized advanced practice registered nurses to language referring to licensed advanced practice registered nurses, in conformity with uniform national standards.

The Board of Nursing, Hawaii State Center for Nursing, and several individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2095 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 504-14 Health on H.B. No. 2099

The purpose of this measure is to improve patient access to medical care by authorizing advanced practice registered nurses to practice their profession to the fullest extent of their training and education. Among other things, this bill identifies statutory provisions containing outdated language which creates technical barriers that restrict consumer access to the full services of advanced practice registered nurses.

The Board of Nursing, American Association of Nurse Practitioners, Healthcare Association of Hawaii, Hawaii Association of Professional Nurses, The Queen's Health Systems, Hawaii Pacific Health, Pali Momi Medical Center, and several individuals provided testimony in support of this measure. The Disability and Communication Access Board provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2099, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2099, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 505-14 Health on H.B. No. 1882

The purpose of this measure is to update the podiatry licensure standards by requiring applicants for licensure to complete a minimum 24-month accredited podiatric residency, as approved by the Council on Podiatric Medical Education, prior to applying for licensure.

The Hawaii Podiatric Medical Association and several individuals supported this measure. The Hawaii Medical Board and The Legislative Center submitted comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

Should this measure be heard by the Committee on Consumer Protection and Commerce, your Committee respectfully requests that it consider establishing an exemption for currently or previously licensed podiatrists from the minimum 24-month accredited podiatric residency requirement established by this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1882, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1882, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 506-14 Health on H.B. No. 1880

The purpose of this measure is to increase access to medical care by conforming the definition of "podiatric medicine" to national standards regarding diagnosis and treatment of the foot and ankle thereby broadening the allowable scope of practice for podiatrists.

The Hawaii Podiatric Medical Association and a few individuals provided testimony in support of this measure. The Hawaii Medical Association and a few individuals provided testimony in opposition to this measure. The Hawaii Medical Board and a few individuals provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1880, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1880, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 507-14 Health on H.B. No. 1831

The purpose of this measure is to keep abreast of the advances in health care by updating the scope of practice for chiropractic to reflect the standards of care, practices, and terminology. Specifically, this measure:

- (1) Clarifies the definition of chiropractic;
- (2) Clarifies the additional post-licensure examinations that the state board of chiropractic examiners may require; and
- (3) Allows a chiropractor to use the term, "chiropractic physician".

The Board of Chiropractic Examiners, Hawaii State Chiropractic Association, and one concerned individual supported this measure. The Hawaii Medical Association and the Hawaii Insurers Council opposed this measure. The American Medical Association, ARC/Advocacy Resource Center offered comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to promote further discussion.

Your Committee respectfully requests that the Committee on Consumer Protection & Commerce, should it choose to consider this measure, consider concerns raised regarding whether the expansion of chiropractors' scope of treatment will lead to higher medical costs for motor vehicle and workers' compensation insurance, whether the quality of care for injured persons will be adversely affected, and whether chiropractors' treatment should be limited to the spine, as well as the suggestion that this measure should limit the chiropractic reimbursement amount and the number of treatments provided by chiropractors under the motor vehicle insurance law.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1831, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1831, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 508-14 Health on H.B. No. 2458

The purpose of this measure is to change the composition of the Board of Dental Examiners in light of changes in dentistry by:

- (1) Changing the name of the "Board of Dental Examiners" to the "Board of Dentistry and Dental Hygiene"; and
- (2) Retaining the existing Board of Dentistry composition on the newly-established Board of Dentistry and Dental Hygiene (Board) until June 30, 2015, but thereafter:
 - (A) Decreasing the total number of members on the Board from 12 members to 11 members, and the number of practicing dentists on the Board from eight members to five members;
 - (B) Increasing the number of practicing dental hygienists on the Board from two members to four members;
 - (C) Requiring that a minimum of one Board member be a practicing dentist with a background in public health dentistry or a license in community service dentistry; and
 - (D) Specifying that no Board member shall be in any way connected with or interested financially in a dental examination company.

The Department of Health, Hawaii Dental Hygienists' Association, and numerous individuals supported this measure. The Hawaii Dental Association and an individual opposed this measure. The Board of Dental Examiners commented on this measure.

Your Committee has amended this bill by:

- (1) Specifying that practicing dentists who serve on the Board of Dentistry and Dental Hygiene must have practiced dentistry in the State for five years before their appointments;
- (2) Deleting the requirement regarding licensure in community service from the qualification requirements to serve as a practicing dentist on the Board of Dentistry and Dental Hygiene; and
- (3) Providing that a Board of Dentistry and Dental Hygiene member may be an examiner of a regional testing agency.

Noting the testimony on this bill regarding the composition of the Board of Dentistry and Dental Hygiene, your Committee respectfully requests

that continued discussion on the composition of the board be taken up by the Committee on Consumer Protection & Commerce.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2458, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2458, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 509-14 Health on H.B. No. 2460

The purpose of this measure is to establish specialty licenses for dentists, including by creating a committee to assist the Board of Dental Examiners with specialty license applicant evaluations.

An individual testified in support of this measure. The Hawaii Dental Association and two individuals testified in opposition to this measure. The Board of Dental Examiners provided comments.

Your Committee notes that it is not the intent of the Committee to create an alternative means of licensure for dentists practicing in specialty areas by way of a credential requirement.

Your Committee has amended this measure by:

- (1) Deleting procedures for the granting of specialty licenses to a dentist who has completed a dental specialty program that has not been recognized by the American Dental Association;
- (2) Deleting procedures for the granting of specialty licenses to dentists with certification or licensure and practice in an out-of-state jurisdiction;
- (3) Removing provisions establishing evaluation committees for each specialty license offered;
- (4) Changing its effective date to July 1, 2050; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2460, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2460, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 510-14 Health on H.B. No. 2459

The purpose of this measure is to support the safe and effective delivery of anesthesia and sedation by dentists by requiring any dentist who prescribes or administers general anesthesia, intravenous-conscious sedation, or conscious sedation to possess:

- (1) Written authorization from the Board of Dental Examiners to prescribe or administer anesthesia or sedation; and
- (2) Site certification from the Board of Dental Examiners to prescribe or administer anesthesia or sedation.

The Department of Health and two individuals testified in support of this measure. The Hawaii Dental Association and an individual opposed this measure. The Board of Dental Examiners commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2050, to facilitate continued discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, style, and consistency.

Your Committee notes that new administrative rules relating to dentists and dental hygienists were adopted on January 27, 2014. The new rules include provisions regarding the administration of anesthesia and sedation. Should this measure proceed through the legislative process, your Committee respectfully requests that any statutory changes pertaining to dentistry be contemplated with consideration to the administrative rules that were recently approved.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2459, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2459, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 511-14 Health on H.B. No. 1776

The purpose of this measure is to support the health and well-being of students by:

- (1) Making minor housekeeping amendments to the requirement for a physical examination as a prerequisite for initial attendance at any school in the State;
- (2) Requiring the Board of Education to:
 - (A) Establish a pilot program in a complex area, under which no child shall attend kindergarten, sixth grade, or ninth grade unless the child presents verification of the physical examination to the school within six months of the date of attendance; and
 - (B) Submit a report of its findings, recommendations, and any proposed legislation, to the Legislature prior to the 2016 Regular Session; and
- (3) Appropriating funds in an unspecified amount to carry out the purposes of this measure.

UHA and several individuals supported this measure. The Department of Education opposed this measure. The Department of Health, Hawaii Medical Service Association, Hawaii Primary Care Association, and Waianae Coast Comprehensive Health Center commented on this measure.

In your Committee's deliberations at the public hearings held on this measure and on House Bill No. 2456, your Committee noted the testimony and discussion emphasizing the positive effects of good oral and physical health on the overall health and well-being of students. Regular physical and dental examinations are critical to early detection and treatment of illness and disease and the promotion of good health. Your Committee also believes that including dental examinations in the existing medical requirements for school entry will support student learning and achievement by fostering a healthy student population and healthy school environment.

Establishing a pilot program as an initial step in extending physical examination requirements beyond initial entry into Hawaii's schools will provide useful information for future legislative actions and for wider implementation of these medical examination requirements. Information obtained through the findings and recommendations from the pilot program will serve as a guide in future discussions to support a culture of wellness and preventive health care in schools.

Your Committee has amended this bill by:

- (1) Broadening the requirement that children obtain a physical examination to attend any school for the first time in the State to include obtaining both a physical examination and a dental examination and making conforming amendments to related statutory sections;
- (2) Extending the time period from 30 days to 90 days in which a child must complete the required immunizations and physical and dental examinations to be admitted to school;
- (3) Amending requirements for the pilot program to require a physical examination upon entry to the seventh grade and to require that sixth grade students and their parents be informed of the seventh grade pilot program and of options related to obtaining the required physical examination;
- (4) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1776, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1776, H.D. 2.

Signed by all members of the Committee except Representatives Carroll and Jordan.

SCRep. 512-14 Health on H.B. No. 1777

The purpose of this measure is to provide safeguards for student health by:

- (1) Authorizing Department of Education employees and agents with specified training to volunteer to administer epinephrine in an emergency situation to a student with anaphylaxis;
- (2) Requiring training in the emergency administration of glucagon or epinephrine to students to be conducted by the Department of Health, rather than a qualified health care professional; and
- (3) Making an appropriation for instruction, training, and related expenses.

The Department of Education, Mylan Inc., and Walgreen Co. supported this measure. The Hawaii Association for Justice and two individuals opposed this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the authority of an advanced practice registered nurse to certify medical need or orders to permit self-administration or

administration of emergency treatment;

- (2) Restoring the requirement that training in the emergency administration of glucagon or epinephrine to students be conducted by a qualified health care professional and making conforming amendments;
- (3) Allowing the Department of Education to make arrangements to receive injectable epinephrine supplies from manufacturers and suppliers;
- (4) Changing the effective date of this measure to July 1, 2050; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1777, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1777, H.D. 2.

Signed by all members of the Committee except Representatives Carroll and Oshiro.

SCRep. 513-14 Veterans, Military, & International Affairs, & Culture and the Arts/Health on H.B. No. 1772

The purpose of this measure is to increase access to quality healthcare for veterans of the Armed Services of the United States by exempting, from the general excise tax, amounts received by a contractor of the Patient-Centered Community Care Program for actual cost or advancement to a third party health care provider pursuant to a contract with the United States government.

The Chamber of Commerce of Hawaii; Military Officers Association of America, Hawaii Chapter; TriWest Healthcare Alliance Inc.; and a concerned individual testified in support of this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committees note the technical concerns raised by the Department of Taxation and respectfully request the Committee on Finance to scrutinize these concerns further should this measure move through the legislative process.

As affirmed by the records of votes of the members of your Committees on Veterans, Military, & International Affairs, & Culture and the Arts and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1772 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower, Cachola, Carroll, Oshiro, Wooley and McDermott.

SCRep. 514-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2593

The purpose of this measure is to enrich the State's communities and take a positive step toward the reduction of graffiti by expanding opportunities appropriate for this type of creative social expression. Among other things, this bill:

- (1) Provides legitimate, state-owned venues for urban art by establishing a pilot program under the direction of the State Foundation on Culture and the Arts for the creation of urban art on State-owned property;
- (2) Requires the State Foundation on Culture and the Arts to consult with the State Historic Preservation Division of the Department of Land and Natural Resources, Historic Hawaii Foundation, and any other appropriate stakeholders to review the creation of urban art under the pilot program to ensure that the art does not negatively impact historic property; and
- (3) Requires the State Foundation on Culture and the Arts to report to the Legislature no later than 20 days prior to the convening of the Regular Session of 2016 on the status of the pilot program, its findings and recommendations regarding continuation of the program on a permanent basis, and recommendations to reduce illicit graffiti.

The State Foundation on Culture and the Arts and a concerned individual testified in support of this measure. The Department of Transportation supported the intent of this bill. The Historic Hawaii Foundation provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2593 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 515-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1907

The purpose of this measure is to honor the sacrifices of those who served in the armed services by making available a lifetime hunting license for a discounted fee for qualified disabled veterans with a specified disability rating or who were awarded the Purple Heart.

The Hawaii Rifle Association and several concerned individuals testified in support of this measure. The Office of Veterans' Services supported the intent of this bill.

Your Committee has amended this bill by:

- (1) Clarifying that the fees for three- and seven-day hunting licenses for hunting on a private and commercial shooting preserve do not apply to hunting licenses issued to qualified disabled veterans;
- (2) Clarifying that, in order to qualify for the discounted, lifetime hunting license, a qualified disabled veteran must have at least a 60 percent service-connected disability, as defined by the Veterans Benefits Administration, when initially applying for the hunting license;
- (3) Correcting a reference to the Veterans Benefits Administration; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1907, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.B. No. 1907, H.D. 1.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 516-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1667

The purpose of this measure is to recognize the sacrifices made by members of the armed services by exempting certain totally and permanently disabled veterans from having to pay annual motor vehicle registration fees on one of their noncommercial vehicles.

This measure also requires the Office of Veterans' Services to submit an annual report to the Legislature and the Department of Taxation providing figures on the total number of veterans who qualify for the motor vehicle registration fee exemption.

The Department of Defense; Mayor of the County of Maui; Council Chair of the Maui County Council; Military Officers Association of America, Hawaii Chapter; and two concerned individuals testified in support of this measure. The Department of Transportation testified in opposition to this bill. The Department of Customer Services of the City and County of Honolulu and Tax Foundation of Hawaii provided comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to September 1, 2014, to allow the Department of Customer Services of the City and County of Honolulu adequate time to update their motor vehicle registration computer system; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1667, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1667, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 517-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 1564

The purpose of this measure is to recognize the sacrifices made by the men and women of the armed forces of the United States and continue to honor their memory by properly maintaining the statewide network of veterans' cemeteries. Specifically, this bill requires the counties to obtain approval from the Office of Veterans' Services prior to any action that may negatively impact the State's obligation to establish and maintain veterans' cemeteries.

The Military Officers Association of America, Hawaii Chapter, testified in support of this measure. The Office of Veterans' Services provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1564 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 518-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2072

The purpose of this measure is to focus on the growing need to improve veterans' services to address the specific needs of female veterans, as well as females on active duty, in such areas as medical and mental health care, child care services, housing, and financial assistance, by appropriating funds to establish a full-time, permanent Women's Veterans Coordinator position in the Office of Veterans' Services.

The Department of Defense, Office of Veterans' Services, Advisory Board on Veterans' Services, League of Women Voters-Hawaii, Hawaii Military Women's Task Force Committee, National Association for Uniformed Services-Hawaii Chapter, Hawaii State Democratic Women's Caucus, and several concerned individuals testified in support of this measure.

Your Committee has amended this bill by:

- (1) Clarifying that the Women's Veterans Coordinator position is being established to assist only female veterans who served on active

duty for the full period during which they were activated and who were discharged with other than a dishonorable discharge; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2072, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2072, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 519-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2148

The purpose of this measure is to recognize the sacrifices made by members of the armed services, as well as their training in the use of firearms, by allowing service members applying for a permit to acquire a pistol or revolver to demonstrate requisite training in the safe handling of a firearm by presenting an official record of having been honorably discharged from the Armed Forces of the United States and having received qualification with or authorization of an award for marksmanship in the use of a service pistol.

The Hawaii Rifle Association, National Rifle Association, and several concerned individuals testified in support of this measure. The Honolulu Police Department opposed this bill.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2148 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 520-14 Consumer Protection & Commerce on H.B. No. 2483

The purpose of this measure is to support the growing craft beverage industry in Hawaii by applying a reduced gallonage tax on draft beer and beer other than draft beer brewed or produced by a small brewery or brew pub, still wine and sparkling wine produced by a small winery, and distilled spirits produced by a small manufacturer.

Maui Brewing Co. testified in support of this measure. Wine Institute and Anheuser Busch Companies testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the reduced gallonage tax amount for still wine and sparkling wine and related provisions; and
- (2) Changing the effective date to July 1, 2112, to encourage further discussion.

Your Committee respectfully requests that your Committee on Finance further examine the issue of whether or not a preferential tax structure on new classes of liquor licensees that may not exist in other states could be a violation of federal law.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2483, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2483, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Cachola and Creagan.

SCRep. 521-14 Consumer Protection & Commerce on H.B. No. 2581

The purpose of this measure is to establish the State Innovation Waiver Task Force to develop a health care reform plan that meets requirements for obtaining a state innovation waiver.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Chamber of Commerce Hawaii testified in support of this measure with amendments. The Hawaii Medical Service Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Task Force to examine the feasibility of options for providing affordable insurance coverage for uninsured and underinsured individuals in Hawaii through brokers and professional employer organizations that include innovations to the State's existing Medicaid program; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the creation of the Task Force is crucial in enabling the State to apply for much needed exceptions to Patient Protection and Affordable Care Act provisions that conflict with Hawaii's Prepaid Health Care Act. Your Committee further notes that the Task Force is required to examine the feasibility of options for providing affordable insurance coverage for uninsured, underinsured individuals, and small businesses in Hawaii that include innovations to the State's existing Medicaid program.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2581, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2581, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Har, Ito, Nakashima, Oshiro and McDermott.

SCRep. 522-14 Consumer Protection & Commerce on H.B. No. 1726

The purpose of this measure is to treat real estate investment trusts and income derived from such trusts in the same manner as other corporate taxpayers and income to prevent out-of-state owners of real estate income trusts located in Hawaii from avoiding taxes on dividend income by specifying that the exemption of this income for federal tax purposes shall not apply to state income taxes.

Hawaii Appleseed Center for Law and Economic Justice provided testimony in support of this measure. The National Association of Real Estate Investment Trusts provided testimony in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by clarifying the procedure and method, including the addition of technical and conforming amendments, under which this measure subjects real estate investment trusts to State income taxation pursuant to the general adoption of section 857 of the Internal Revenue Code (relating to the taxation of real estate investment trusts).

Your Committee respectfully requests that your Committee on Finance examine the fiscal impacts of this measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1726, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1726, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 523-14 Consumer Protection & Commerce on H.B. No. 1999

The purpose of this measure is to ensure adequate provision of electric utility services to the public by establishing a Legislative Oversight Task force to review franchises held by investor-owned electric utilities.

Hawaii Solar Energy Association, Blue Planet Foundation, and several individuals testified in support of this measure. Hawaiian Electric Company and its subsidiary utilities Maui Electric Company and Hawaii Electric Light Company testified in opposition to this measure. The Public Utilities Commission and Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committee has amended this measure by, among other things:

- (1) Renaming the task force to the Legislative Utility Review Task Force (Task Force);
- (2) Clarifying that, in the event of a change in legislative committees, chairs and vice chairs of successor committees encompassing the same subject matter shall serve on the Task Force;
- (3) Requiring the Task Force to focus their review on certain topic areas, including the future role of investor-owned electric public utilities, the effectiveness of investor-owned electric public utilities, the strategic plans and objectives of investor-owned electric public utilities to modernize the electric grid cost-effectively, and the applicability and nature of the regulatory compact with respect to electric utilities in Hawaii;
- (4) Removing the requirement that the Task Force submit a written report to the legislature no later than 20 days prior to the convening of the regular session of 2015 and every five sessions thereafter;
- (5) Removing the requirement that the Task Force reconvene every five years;
- (6) Specifying that the powers granted to the Task Force are limited to legislative review and recommendation, and shall not duplicate the powers and duties of the Public Utilities Commission;
- (7) Changing the effective date of this measure to upon its approval; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1999, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1999, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 524-14 Consumer Protection & Commerce on H.B. No. 1633

The purpose of this measure is to increase the efficiency and effectiveness of the State Building Code Council by, among other things:

- (1) Modifying the composition, quorum requirement, staffing requirements, and duties of the State Building Code Council;
- (2) Amending the State Building Code, including by clarifying terminology, amending code requirements and adoption processes, and providing for staggering of code adoptions;
- (3) Requiring the State Building Code Council to submit an annual written report to the Governor on its activities, including the codes and standards it establishes;
- (4) Prohibiting the State Building Code Council from adopting provisions in the Hawaii State Building Codes that conflict with laws governing contractors; and
- (5) Appropriating funds to the Department of Accounting and General Services for the State Building Code Council and staff to carry out their duties.

The Department of Health; American Institute of Architects Hawaii State Council; U.S. Green Building Council, Hawaii Chapter; The Pacific Resource Partnership; and Subcontractors Association of Hawaii provided testimony in support of this measure. The American Chemistry Council and Plumbers and Fitters United Association, Local 675 provided testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism; Department of Labor and Industrial Relations; Hawaii State Fire Council; Honolulu Fire Department; International Code Council; Hawaii Laborers-Employers Cooperation and Education Trust; General Contractors Association of Hawaii; and Building Industry Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Restoring the requirement that the State Building Code Council shall review and adopt, as appropriate, new building codes within 18 months of the official publication date;
- (2) Requiring that the frequency of the adoption of any code or standard shall not exceed every three years;
- (3) Changing the appropriation of \$250,000 to an unspecified sum; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that the Committee on Finance insert an appropriation amount of \$250,000.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1633, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1633, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 525-14 Consumer Protection & Commerce on H.B. No. 2061

The purpose of this measure is to require health insurance policies and plans to provide coverage for embryo, oocyte, and sperm cryopreservation procedures prior to the start of cancer treatment for the purpose of preserving the fertility of adults diagnosed with cancer.

Several individuals testified in support of this measure. The Hawaii Association of Health Plans, Hawaii Medical Service Association, and The Chamber of Commerce Hawaii testified in opposition to this measure. The Department of Commerce and Consumer Affairs and Department of Human Services provided comments.

Your Committee has amended this measure by:

- (1) Inserting a definition of "reproductive potential" for purposes of determining a woman's eligibility for the coverage mandated by this measure;
- (2) Changing its effective date to July 1, 2112, to further encourage discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the definition of "reproductive potential" was provided by the Office of the Auditor to mean "the inability to become pregnant after one year of trying, or after six months if the woman is 35 or older." Your Committee requested that the Office of the Auditor define "reproductive potential" to address the concerns raised in the testimony by those who believed an undefined phrase would lead to an unknown amount of potential recipients. Therefore, your Committee respectfully requests that your Committee on Finance further examine whether this definition should be amended to improve cost benefit and effectiveness.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2061, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2061, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 526-14 Consumer Protection & Commerce on H.B. No. 2529

The purpose of this measure is to provide greater transparency and oversight for the Hawaii Health Connector ("Connector") and to ensure the long-term sustainability of health insurance reform in Hawaii.

Specifically, this measure:

- (1) Establishes the Hawaii Health Connector as a state entity, effective January 1, 2015, and transitions its property, personnel, and moneys to the State;
- (2) Amends the composition of the Connector's board of directors;
- (3) Creates a consumer, patient, business, and health care advisory group and an intergovernmental agency advisory group to provide recommendations to the Connector board of directors;
- (4) Establishes the Hawaii Health Connector universal federally mandated sustainability fee to be assessed by the Insurance Commissioner upon each insurer who sells health or dental insurance in the State, either through the Connector or outside of it, based upon the number of individuals covered by each insurer;
- (5) Creates a Hawaii Health Connector sustainability revolving fund for the deposit of moneys received by the Connector, including the Hawaii Health Connector universal federally mandated sustainability fee;
- (6) Authorizes insurance agents and brokers who have been certified by the Insurance Commissioner to enroll individuals and employers in qualified plans through the Connector;
- (7) Appropriates an unspecified amount in fiscal year 2014-2015 to support the operations of the existing Hawaii Health Connector; provided that the Connector submits an itemized proposed budget to the Office of the Governor; and
- (8) Establishes and appropriates moneys for a state innovation waiver task force within the Office of the Governor to examine the feasibility of alternatives to certain health reforms in the federal Patient Protection and Affordable Care Act (PPACA) and develop a plan for applying for a state innovation waiver that meets the requirements of the PPACA;

The Community Alliance for Mental Health submitted testimony in support of this measure. The Department of Commerce and Consumer Affairs, Department of the Attorney General, American Association of Retired Persons, Chamber of Commerce of Hawaii, and the League of Women Voters provided comments.

Hawaii established the Hawaii Health Connector to serve as Hawaii's health insurance exchange to implement certain health insurance reforms in the PPACA. Your Committee finds that the operations and financial administration of the Connector deserve closer review to ensure transparency and sustainability. Your Committee believes that these objectives may be achieved by the Connector in its existing form but with closer engagement with stakeholders and oversight by the Legislature. Your Committee finds that creating two new advisory groups, composed of insurers and insurance producers, respectively, will allow these stakeholders to offer input to the Connector's board of directors while avoiding potential conflicts of interests. Your Committee further finds that the creation of a Connector legislative oversight committee will allow the Legislature to offer its recommendations to the Connector regarding operations and financial administration and to make recommendations to the Insurance Commissioner concerning the appropriate amount of the universal federally mandated sustainability fee. Your Committee also believes that the Connector should be allowed to explore available revenue sources in addition to fees, that will help to maintain its financial stability.

Accordingly, your Committee has amended this measure by:

- (1) Deleting provisions that dissolve the private nonprofit Hawaii Health Connector, transfer its property and personnel to the State, and establish the Hawaii Health Connector as a new state entity;
- (2) Establishing an insurers advisory group and an insurance producers advisory group, respectively, to offer input and recommendations to the Connector board of directors;
- (3) Establishing the Connector legislative oversight committee to monitor the Connector's finances and operations;
- (4) Amending the existing statutory language in section 435H-2, Hawaii Revised Statutes, that establishes the Connector to:
 - (A) Specify that the Connector is a nonprofit unincorporated entity that is an instrumentality of the State;
 - (B) Specify that the debts and liabilities of the Connector do not constitute the debts and liabilities of the State; and
 - (C) Delete the requirement for the Connector to be organized and governed pursuant to Chapter 414D, Hawaii Revised Statutes;
- (5) Changing the composition of the Connector board of directors by:
 - (A) Changing the size of the board to twelve members;
 - (B) Requiring two board members to be nonvoting members who are appointed by the insurers advisory group from among its members;
 - (C) Requiring three board members to be appointed by the Governor;

- (D) Specifying that the ex officio members are nonvoting members; and
- (E) Clarifying that the appointed board members may not be employees of the State;
- (6) Deleting the provisions that establish the intergovernmental agency advisory group;
- (7) Requiring the Connector to submit an annual sustainability plan to the Insurance Commissioner and the Connector legislative oversight committee that includes a detailed budget, based upon zero-based budgeting principles, for the upcoming fiscal year;
- (8) Requiring the Insurance Commissioner to consider the recommendation of the Connector legislative oversight committee in setting the universal federally mandated sustainability fee each year;
- (9) Making the assessment of the universal federally mandated sustainability fee discretionary;
- (10) Renaming the Hawaii Health Connector sustainability revolving fund as the Hawaii Health Connector sustainability special fund and changing the types of funds that are to be deposited into the fund by deleting reference to any other assessments or user fees established by the Connector and clarifying that the special fund may receive appropriations from the Legislature;
- (11) Authorizing the Insurance Commissioner to transfer moneys from the Hawaii Health Connector sustainability special fund to the Connector to be used only for the administration, operation, and prudent cash management of the Connector;
- (12) Authorizing the Connector to raise revenue by charging fees to display advertisements for ancillary products on its website;
- (13) Deleting the appropriation in fiscal year 2014-2015 to support the operations of the Connector;
- (14) Deleting provisions relating to the creation of the state innovation waiver task force and the appropriation to support the task force;
- (15) Changing the effective date to July 1, 2012, to facilitate further discussion on the measure; and
- (16) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the measure, as amended, limits the uses of the moneys transferred to the Connector from the Hawaii Health Connector sustainability special fund to funding the "administration, operations, and prudent cash management" of the Connector. Your Committee encourages the Committee on Finance to discuss the Connector's cash management needs and consider making a recommendation of sound financial principles to be followed by the Connector.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2529, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2529, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 527-14 Human Services on H.B. No. 1889

The purpose of this measure is to guarantee that the rights, privacy, and property of homeless individuals are protected under the laws of this State by establishing a Homeless Person's Bill of Rights.

The Hawaii Youth Services Network, Pacific Alliance to Stop Slavery, Hawaii Guerrilla Video Hui, Ho'opae Pono Peace Project, Hawaii Friends of Civil Rights, IMUAlliance, and numerous concerned individuals supported this measure. Several concerned individuals opposed this measure. The Hawai'i Civil Rights Commission provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate discussion.

Your Committee respectfully notes that the question of enforcement arose during testimony, as this bill applies in part to State and Federal laws, but does not extend to the counties, although the counties have the power to make and enforce ordinances covering local police matters per section 46-1.5(14)(A) Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1889, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1889, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Creagan and Oshiro.

SCRep. 528-14 Human Services on H.B. No. 1983

The purpose of this measure is to protect the health and safety of senior citizens by implementing a Silver Alert Program, to be operated in conjunction with the Maile Amber Alert Program, to enlist the aid of the public to help locate missing senior citizens with an impaired mental condition.

The Alzheimer's Association supported this bill. The State Council on Developmental Disabilities supported the bill's intent. The Department of Defense, Civil Defense Division; and the Honolulu Police Department opposed this bill. A concerned citizen provided comments on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes the opposition of, and concerns raised by, State Civil Defense in its testimony and respectfully requests that your Committee on Judiciary discuss this further, should it choose to consider this measure

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1983, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1983, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll and Woodson.

SCRep. 529-14 Human Services on H.B. No. 2395

The purpose of this measure is to reduce the incidence of sexual assaults against children by establishing a mandatory minimum sentence for first degree sexual assault against a minor who is under fourteen years of age.

A concerned individual supported this bill. The Sex Abuse Treatment Center; Office of the Prosecuting Attorney, County of Kaua'i; and Department of the Prosecuting Attorney, City and County of Honolulu provided comments on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

Your Committee notes that there are other, similar bills to this one proceeding through the legislative process. As sentencing requirements are generally more of a matter for your Committee on Judiciary, should your Committee on Judiciary choose to consider this measure, your Committee respectfully encourages further discussion and examination of how this measure may intersect with other measures under consideration.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2395, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2395, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Creagan.

SCRep. 530-14 Human Services on H.B. No. 2116

The purpose of this measure is to require the criminal courts to account for the developmental differences between juvenile and adult defenders when sentencing juveniles by:

- (1) Establishing sentence modification procedures and sentencing considerations for offenses committed by an individual prior to their turning age eighteen;
- (2) Abolishing life imprisonment without parole as a sentencing option for those convicted for offenses committed while under the age of eighteen; and
- (3) Limiting the minimum term of incarceration required before a person sentenced for an offense committed while under eighteen years of age may be eligible for parole.

The Campaign for the Fair Sentencing of Youth and several concerned individuals supported this bill. The Richardson Students for the Rights of Children and Hawai'i Appleseed Center for Law and Economic Justice supported the intent of the measure and provided comments. The Department of the Prosecuting Attorney commented on this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that there was considerable opposing testimony on this matter, and that because your Committee on Judiciary has considerable experience in matters of sentencing, your Committee encourages further discussion and consideration should your Committee on Judiciary choose to consider this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2116, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2116, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Carroll, Creagan and Oshiro.

SCRep. 531-14 Human Services on H.B. No. 2115

The purpose of this measure is to ensure that lower-income residents may access a full array of medical treatments by including chiropractic care as a covered service under medical assistance plans such as QUEST and Medicaid.

The Hawaii State Chiropractic Association and Hawaii Primary Care Association supported this bill. The Department of Human Service provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that there was considerable conflict between the dollar amounts presented by the Department of Human Services and the Hawaii State Chiropractic Association in their testimony, but that these amounts do establish a record to be considered by your Committee on Finance, should it choose to consider this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2115, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2115, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Creagan and Oshiro.

SCRep. 532-14 Human Services on H.B. No. 2649

The purpose of this measure is to narrow the scope of prohibitions against employment discrimination based on status as a victim of domestic or sexual violence by:

- (1) Requiring domestic or sexual violence victims to provide a copy of a temporary restraining order or protective order to their employers for the prohibition to apply;
- (2) Requiring employers to post the temporary restraining order or protective order in the place of employment; and
- (3) Narrowing reasonable accommodations required of employers to making all necessary personnel aware of the protections afforded to the victims by the temporary restraining order or protective order and immediately contacting the police if the person against whom the order is issued violates the order at the workplace.

The Maui Chamber of Commerce; Valley Isle Produce, Inc.; HDC Corp.; Atlantis Adventures Hawaii; Arakaki-Regan & Associates, LLC; and a few individuals provided testimony in support of this measure. The Hawai'i Civil Rights Commission, Hawaii State Commission on the Status of Women, Women Helping Women, Domestic Violence Action Center, Hawai'i Women's Coalition, and several individuals provided testimony in opposition to this measure. The Department of Health and MSI Maui provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that this measure received considerable testimony in opposition. Your Committee further notes that some proponents of this measure have raised questions relating to the implementation of this measure and the reasonable accommodations required to be made by employers.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2649, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2649, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.
(Representatives Belatti and Oshiro voted no.)

SCRep. 533-14 Human Services on H.B. No. 2371

The purpose of this measure is to reduce the tax burden on our lowest income residents by:

- (1) Amending the amount and threshold of the refundable food/excise tax credit;
- (2) Amending the income threshold allowing an individual to claim the low-income household renters credit from \$30,000 to \$59,700, and increasing the amount of the credit from \$50 to \$146;
- (3) Creating a low-income tax credit to:
 - (A) Reduce state tax liability for low-income taxpayers by 50 percent if a taxpayer has federal adjusted gross income between

100 and 125 percent of the federal poverty level; or

- (B) Eliminate state income tax liability for low-income taxpayers whose federal adjusted gross income is below the federal poverty guidelines; and
- (4) Creating an earned income tax credit allowing taxpayers to claim a tax credit equal to an unspecified percentage of the federal earned income tax credit amount.

Aloha United Way; PHOCUSED; Catholic Charities Hawai'i; UNITE HERE Local 5 Hawaii; Hawaii Alliance for Retired Americans; Partners in Care; Americans for Democratic Action, Hawai'i; Hawaii Food Industry Association; Hawai'i Appleseed Center for Law and Economic Justice; Hawai'i State Democratic Women's Caucus; Goodwill Industries of Hawaii, Inc.; Hawai'i Women's Coalition; Faith Action for Community Equity; National Community Tax Coalition; Hawaii State Commission on the Status of Women; and a number of concerned individuals supported this bill. The Department of Taxation and Tax Foundation of Hawaii provided comments on this bill.

Your Committee has amended this measure by:

- (1) Inserting an unspecified date for the taxable year in which the credits begin to apply;
- (2) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that your Committee on Finance is best equipped to address issues regarding the implementation of tax matters. Should your Committee on Finance choose to hear this measure, your Committee encourages further discussion as to questions raised regarding implementation of these credits.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2371, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2371, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll, Creagan and Oshiro.

SCRep. 534-14 Human Services on H.B. No. 2591

The purpose of this measure is to reduce crimes against homeless individuals by:

- (1) Requiring a minimum term of imprisonment without the possibility of parole for crimes that cause death or inflict serious bodily injury upon a homeless individual; and
- (2) Extending the term of imprisonment for intentionally inflicting serious or substantial bodily injury upon a homeless individual, where the defendant knew or should have known of the homeless status of the individual.

The Institute for Human Services, Inc.; Pacific Alliance to Stop Slavery; Community Alliance for Mental Health; United Self Help; and several concerned individuals supported this bill. The Hawai'i Appleseed Center for Law and Economic Justice supported the intent of this measure and provided comments.

Your Committee has amended this measure by:

- (1) Eliminating the mandatory minimum term of imprisonment in order to allow for judicial discretion;
- (2) Adding homeless status to the existing provision for extended sentencing in hate crimes; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2591, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2591, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll and Creagan.

SCRep. 535-14 Energy & Environmental Protection on H.B. No. 1730

The purpose of this measure is to increase Hawaii's energy security by authorizing the issuance of special purpose revenue bonds to assist Pacific Power Group, LLC, a utility serving the general public in providing electric energy, to install renewable energy projects in the State of Hawaii.

Pacific Power Group, LLC testified in support of this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the description of Pacific Power Group, LLC, from a utility to a renewable energy developer serving the general public in providing renewable electric energy; and

- (2) Changing the effective date to July 1, 2345, to encourage further discussion.

Your Committee respectfully asks the Committee on Finance to facilitate discussion to clarify, among other things, the details of the project for which the special purpose revenue bonds for Pacific Power Group, LLC are being issued.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1730, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1730, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.
(Representative Thielen voted no.)

SCRep. 536-14 Energy & Environmental Protection/Water & Land on H.B. No. 2639

The purpose of this measure is to establish the framework to regulate geothermal development activities through a permitting process by, among other things:

- (1) Authorizing the Board of Land and Natural Resources to issue permits for geothermal resource development within a conservation district;
- (2) Restoring the county process by authorizing the appropriate county authority to issue permits for geothermal resource development within agricultural, rural, and urban districts if the proposed activities are not expressly permitted uses under the applicable county plan and zoning ordinances;
- (3) Requiring renewable energy producers to apply to the Board of Land and Natural Resources for a mining lease on state lands; and
- (4) Prescribing penalties and remedies for violation of laws and rules relating to state mineral rights and requiring penalties, fees, and costs that are collected in connection with regulation of state mineral rights to be deposited into the Special Land and Development Fund.

The Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Mayor of the County of Hawaii; Big Island Community Coalition; Japanese Chamber of Commerce & Industry; Kapolei Community Development Corporation; Hu'ena Power; Indigenous Consultants, LLC; Waimanalo Hawaiian Homes Association; and Innovations Development Group testified in support of this measure. Life of the Land; Puna Pono Alliance; Malu 'Aina; Paradise Action Womens Alliance; and numerous concerned individuals testified in opposition to this measure. The Office of Hawaiian Affairs and a few concerned individuals commented on this measure.

Your Committees have amended this measure by:

- (1) Ensuring that prospective geothermal resources development will have the least detrimental environmental and social impact by requiring that any geothermal resource development requires a geothermal resources development permit that shall be issued according to set guidelines;
- (2) Clarifying that the counties may issue geothermal resources development permits in agricultural, rural, or urban districts;
- (3) Clarifying that the Board of Land and Natural Resources shall govern the issuing of geothermal resource development permits in conservation districts;
- (4) Requiring that the Board of Land and Natural Resources initiate a hearing in the community where a proposed geothermal resource development permit is being sought;
- (5) Including the criteria for geothermal subzones into the geothermal permitting process;
- (6) Allowing decisions to be appealed through a contested case hearing in the Intermediate Court of Appeals;
- (7) Changing the effective date to January 28, 2878, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2639, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2639, H.D. 2, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 537-14 Judiciary on H.B. No. 2590

The purpose of this measure is to increase voter participation by permitting late voter registration at absentee polling places beginning in 2016, and additionally authorizing late voter registration at precinct polling places on election day beginning in 2018.

The Office of Elections, Common Cause Hawaii, League of Women Voters, Open Law Alliance, and numerous concerned citizens testified in support of this measure. A concerned individual submitted testimony in opposition. The Office of the City Clerk of the City and County of Honolulu,

County Clerk of the County of Hawaii, and County Clerk of the County of Kauai provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that late voter registration at absentee polling places is limited to those polling places in a county associated with the registering person's residence, or on the day of election, at the polling place in the precinct associated with the person's residence;
- (2) Clarifying that the registering person is required to submit substantiating evidence of residence upon registration;
- (3) Clarifying that identification or documents qualifying as substantiating evidence of residence must include the person's current street address;
- (4) Clarifying the procedure under which a registered voter may challenge the registration or right to vote of another to apply to registration or voting conducted at absentee polling places;
- (5) Appropriating funds to the Office of Elections to assist the counties in implementing the late voter registration process; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2590, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2590, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito and Thielen.

SCRep. 538-14 Judiciary on H.B. No. 2182

The purpose of this measure is to create the Hawaii Justice League Program to provide loan repayment assistance on behalf of eligible lawyers that pursue public interest work in Hawaii.

The Hawaii Access to Justice Commission, Filipino Law Students Association and Students for Public Outreach and Civic Education at the William S. Richardson School of Law, University of Hawaii at Manoa, Hawaii Appleseed Center for Law and Economic Justice, Ho'ala Aina Kupono, UNITED HERE Local 5, and numerous concerned individuals submitted testimony in support of the measure. The Student Bar Association and Student Bar Association's Working Group on Access to Justice, William S. Richardson School of Law, University of Hawaii at Manoa supported this bill with amendments. The Department of Budget and Finance and the William S. Richardson School of Law, University of Hawaii at Manoa, submitted comments.

Your Committee has amended this measure by:

- (1) Placing a cap on the maximum loan repayment amount to be paid per participant per year at \$35,000 to be adjusted annually for inflation based on the consumer price index;
- (2) Requiring the adjusted maximum loan repayment amount to be published annually on the William S. Richardson School of Law website, and requiring the Dean of the School of Law to include the amount in the annual report to the Legislature;
- (3) Deleting employment with the federal government from the definition of "public interest work";
- (4) Consolidating the sections that establish the Hawaii Justice League Program and establish the Hawaii Justice League Loan Repayment Assistance Program under one section for clarity;
- (5) Removing the provision that exempted the William S. Richardson School of Law from the public notice and public hearing requirements in establishing rules for administering the program; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2182, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2182, H.D. 2.

Signed by all members of the Committee except Representatives Ito and Thielen.

SCRep. 539-14 Judiciary on H.B. No. 2363

The purpose of this measure is to establish a two-year pilot project to demonstrate the cost-effectiveness of providing an alternative to incarceration by moving male and female nonviolent, low-risk drug offenders from incarceration into a coordinated system of community-based treatment programs, community organizations, and reentry support services.

The Department of Public Safety, Office of the Public Defender, Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaii Substance Abuse Coalition, Community Alliance on Prisons, and several concerned individuals supported this measure.

Your Committee has amended this measure by:

- (1) Specifying that the pilot project will serve up to 100 participants annually rather than exactly 100 participants; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2363, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 2363, H.D. 2.

Signed by all members of the Committee except Representatives Ito and Thielen.

SCRep. 540-14 Judiciary on H.B. No. 2533

The purpose of this measure, as received by your Committee, is to encourage fair elections by:

- (1) Establishing a comprehensive public funding program for candidates to the state House of Representatives; and
- (2) Repealing provisions under the existing partial public financing program applicable to candidates for governor, lieutenant governor, state senator, and state representative pertaining to campaign expenditure limits, maximum amount of public funding, and minimum amounts of qualifying contributions.

For the purposes of a public hearing, your Committee circulated a Proposed H.B. No. 2533, H.D. 1 (Proposed Draft), and notified the public it would be accepting testimony on the Proposed Draft, which among other things:

- (1) Adds definitions for "certified candidate's committee", "contested election", and "qualifying period";
- (2) Clarifies that the filing of a candidate's declaration of intent triggers the candidate's ability to begin raising and spending seed money contributions;
- (3) Deletes the definitions of "general election campaign period", and "primary election campaign period";
- (4) Specifies that all 200 qualifying signatures must be accompanied by a \$5 contribution;
- (5) Clarifies that qualifying contributions are those made to a candidate, or the candidate's committee, who has filed a declaration of intent to seek public funding and may be collected by candidates in cash, in addition to check or money order, provided that they are accompanied by the contributor's identifying information and affirmation certifying the funds were the contributor's own, were not given in exchange for anything of value, and that violations of public funding law may result in administrative or criminal proceedings;
- (6) Clarifies that no qualifying name or contribution may be collected by a person paid by the candidate or employed by a political party to solicit qualifying names;
- (7) Amends the date by which a candidate must file a declaration of intent to seek public funding to July 1 of the year prior to the election year, and December 31 in the year prior to the general election year;
- (8) Requires the candidate to file an application for certification for public funding with the Campaign Spending Commission by December 31 of the year prior to the general election;
- (9) Specifies that all candidates and candidates' committees shall comply with the registration, reporting, contribution, expenditure, and disclosure requirements of Hawaii Campaign Spending laws;
- (10) Clarifies seed money contribution requirements by:
 - (A) Removing the requirement that a candidate have received an unspecified amount in seed money to be eligible to receive public funds;
 - (B) Removing the limitation of \$250 on aggregate individual contributions for seed money contributions;
 - (C) Providing that seed money contributions in excess of \$3,000 shall be deducted from the amount of public funding dispersed to a candidate, unless that money is donated to the Hawaii Election Campaign Fund; and
 - (D) Providing that a candidate may not expend seed money after the candidate has been certified;
- (11) Authorizes the Campaign Spending Commission to retain all qualifying contributions above the minimum qualifying amount;
- (12) Requires that a candidate have submitted proof of filing nomination papers before public funds are dispersed from the Hawaii Election Campaign Fund;
- (13) Permits qualifying candidates to raise and expend supplemental contributions, limited to contributions from individuals in the district up to a maximum of \$50 per contributor;
- (14) Removes the requirement for a seed money report 20 days before the primary election;
- (15) Permits candidates to carry over and expend surplus campaign funds of up to \$4,000 for in office communications, and allowing candidates to raise the balance where the amount falls below;

- (16) Changes the date after which a candidate may begin to accept private funds excluded by this measure;
- (17) Clarifies that supplemental contributions and surplus campaign fund contributions are subject to the deposit and access requirements of public funds;
- (18) Provides that any candidate or candidate committee will lose certification, and be subject to administrative or criminal sanction for misrepresenting material facts to the Campaign Spending Commission to receive public funding;
- (19) Requires the Campaign Spending Commission to determine the sufficiency of the Hawaii Election Campaign Fund on July 1 of each odd-numbered year before a general election year;
- (20) Requires an additional report from the Campaign Spending Commission in 2015;
- (21) Deletes blank appropriations, and instead authorizes the Campaign Spending Commission to expend Hawaii Election Campaign Fund monies for the implementation of the public financing program; and
- (22) Changes the effective date to July 1, 2015, but provides that the reporting and money authorizations will commence on July 1, 2014.

The Open Law Alliance; Voter Owned Hawaii; Americans for Democratic Action, Hawaii; and a large number of concerned individuals testified in support of this measure as received by your Committee. The League of Women Voters of Hawaii provided comments on the bill as received by your Committee.

The Sierra Club of Hawaii, Common Cause Hawaii, and one concerned individual testified in support of the Proposed Draft. The Campaign Finance Committee provided comments on the Proposed Draft.

Your Committee considered the merits of both H.B. No. 2533, H.D. 1, as received by your Committee, and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Makes explicit that all campaign finance rules apply to candidates operating under this program, including to seed money contributions, by creating a new section for such requirements;
- (2) Requires Campaign Spending Commission to provide public notice when there is insufficient funding to run the program, in addition to notice when there is enough funding to run the program; and
- (3) Makes technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2533, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2533, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito and Thielen.

SCRep. 541-14 Judiciary on H.B. No. 2442

The purpose of this measure is to add a new section to the Hawaii Public Procurement Code to prohibit the State from entering into a contract with any offeror, or any principal or subsidiary of the offeror, if within the seven years prior to the offer the offeror, principal, or subsidiary:

- (1) Has been convicted of or had a civil judgment rendered against it for the commission of any felony or other state or federal crime; or
- (2) Has been delinquent in the payment of federal taxes in an amount exceeding \$3,000, which remains outstanding.

The Community Alliance on Prisons and Community Alliance for Mental Health supported this measure. The State Procurement Office and Department of Budget and Fiscal Services of the City and County of Honolulu opposed this bill.

Your Committee has amended this measure by:

- (1) Deleting the proposed new section to the Hawaii Procurement Code and instead amending section 103D-702, Hawaii Revised Statutes, to require, as to opposed to authorize, the Chief Procurement Officer to debar a person from consideration for an award of public contracts for up to three years if the person has been convicted of certain state or federal crimes, or has been found in violation of certain contract provisions or ethical standards; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2442, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2442, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives McDermott and Thielen.

SCRep. 542-14 Agriculture/Water & Land on H.B. No. 2629

The purpose of this measure is to more effectively use designated Important Agricultural Lands (IALs) to achieve food sustainability and self-sufficiency by clarifying and specifying that the permitted uses of IALs are restricted to the production of agricultural food and activities directly related thereto.

Two concerned individuals supported this bill. The Department of Agriculture and Office of Planning supported this measure with amendments. The Land Use Research Foundation of Hawaii, Hawaii Farm Bureau Federation, Hawaii Rifle Association, Parker Ranch, Alexander & Baldwin, Inc., Hawaiian Commercial & Sugar Company, and Castle & Cooke Hawaii opposed this measure. The Hawaii Association of Realtors commented on this bill.

Your Committees recognize that there are a number of important issues to be addressed and resolved concerning the provisions of this measure. Accordingly, your Committees have amended the effective date of this measure from upon its approval to July 1, 2050, to facilitate further discussion, including the potential extension of the 2014 exemption for treatment of those landowners who are currently in the process of having their lands designated as IALs. Your Committees have further amended this measure by:

- (1) Adding as permitted uses on IALs hunting and shooting ranges;
- (2) Expanding the permitted accessory uses on IALs to include building and uses or agricultural activities related to game and fish propagation and raising of livestock;
- (3) Providing that this bill does not apply to those lands that have been designated as IALs by the Land Use Commission as of the effective date of this measure; and
- (4) Making technical, nonsubstantive amendments for style, consistency, and conformity.

Your Committees note that it has adopted the amendments suggested by the Department of Agriculture and an amendment suggested by the Office of Planning.

As affirmed by the records of votes of the members of your Committees on Agriculture and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2629, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2629, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola, Hanohano and Ohno.
(Representative Say voted no.)

SCRep. 543-14 Water & Land on H.B. No. 1728

The purpose of this measure is to enable government agencies to maintain roads whose ownership and jurisdiction are in dispute between the State and the counties.

The chairperson of the Maui County Council; the vice chairperson of the Maui County Council; Hawaii Association for Justice; and two concerned individuals testified in support of this measure. The Department of Transportation supported the intent of this measure. The Department of Land and Natural Resources commented on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1728, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Fale.

SCRep. 544-14 Water & Land on H.B. No. 1863

The purpose of this measure is to amend the budget, legal immunity, and rulemaking authority of the Hawaii Community Development Authority. Specifically, this measure:

- (1) Eliminates the operating and investment capital budget items for the Hawaii Community Development Authority for fiscal year 2014-2015;
- (2) Establishes horizontal separation distances and maximum floor area ratios for certain buildings within the Kakaako Community Development District;
- (3) Authorizes citizen civil lawsuits for failure to perform any required act or duty relative to the Kakaako Community Development District; and
- (4) Requires rules adopted by the Hawaii Community Development Authority to comply with all existing laws, ordinances, and rules.

The Honolulu City Council member representing District VII; Life of the Land; and numerous individuals testified in support of this measure. The Department of the Attorney General; The Chamber of Commerce Hawaii; Hawaii Building and Construction Trades Council, AFL-CIO; The Pacific Resource Partnership; the Howard Hughes Corporation; and Hawaii Laborers-Employers Cooperation and Education Trust testified in opposition to this measure. Kamehameha Schools, the Executive Director of the Hawaii Community Development Authority, and a few individuals provided comments.

Your Committee has amended this measure by:

- (1) Deleting all substantive provisions of the measure except authorization of a citizen suit against the Hawaii Community Development Authority and designating the provision as a right of action; and
- (2) Changing its effective date to July 1, 2020, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1863, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1863, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 545-14 Water & Land on H.B. No. 1865

The purpose of this measure is to impose a one-year moratorium on the Hawaii Community Development Authority's approval of any plans or proposals for development in the Kakaako Community Development District.

The Honolulu City Council member representing District VII; Malama Makaha; Kakaako United; and numerous individuals testified in support of this measure. Kamehameha Schools; The Chamber of Commerce Hawaii; The Pacific Resource Partnership; Hawaii Building and Construction Trades Council, AFL-CIO; Hawaii Operating Engineers Industry Stabilization Fund; Alexander & Baldwin, Inc.; and numerous individuals testified in opposition to this measure. The Hawaii Association of REALTORS provided comments.

Your Committee has amended this measure by:

- (1) Removing provisions establishing a one-year moratorium on Hawaii Community Development Authority's approval of plans and proposals in the Kakaako Community Development District;
- (2) Requiring the Auditor to conduct a management and financial audit of the Hawaii Community Development Authority and submit a report to the Legislature; and
- (3) Changing its effective date to upon approval.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1865, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1865, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 546-14 Water & Land on H.B. No. 1867

The purpose of this measure is to establish restrictions and prohibitions on development projects undertaken by the Hawaii Community Development Authority in the Kakaako Community Development District. Specifically, this measure:

- (1) Creates building proximity, height, and orientation restrictions;
- (2) Establishes infrastructure review procedures for development applications; and
- (3) Prohibits the granting of variances, exemptions, and modifications for building maximum floor area ratios.

The Honolulu City Council member representing District VII; Malama Makaha; Life of the Land; Friends of Kewalos; and numerous individuals testified in support of this measure. The Chamber of Commerce Hawaii; Hawaii Building and Construction Trades Council, AFL-CIO; Hawaii Construction Alliance; and the Howard Hughes Corporation testified in opposition to this measure. The Executive Director of the Hawaii Community Development Authority; Kamehameha Schools; Alexander & Baldwin, Inc.; the Pacific Resource Partnership; and one individual provided comments.

Your Committee notes that the public has been very vocal about community engagement, public notice, and public hearing procedures currently utilized by the Hawaii Community Development Authority. Similarly, your Committee finds that public transparency concerns have often been tied to addressing the issue of whether Hawaii Community Development Authority plans have adequately accounted for infrastructure accommodations. In furthering its aim of transparency, your Committee has added provisions to this measure requiring that all development permits within the purview of the Hawaii Community Development Authority be subject to an infrastructure review and approval process. The purpose of this measure, as amended by your Committee, is to increase transparency for the public and to ensure that communities are kept well informed about development decisions affecting their community.

Your Committee has amended this measure by:

- (1) Amending Hawaii Community Development Authority public notice requirements for public hearing and decision making to ensure that:
 - (A) Adequate and timely public notice is given to Development District residents and the lawmakers representing them;
 - (B) Interested parties are easily able to access posted notices through the Hawaii Community Development Authority's website or through a mailing request; and

- (C) The Hawaii Community Development Authority is aware of and has responded to community concerns;
- (2) Specifying building proximity, height, orientation, maximum floor area ratio, and infrastructure review restrictions and regulations for the Kakaako Community Development District;
- (3) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1867, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1867, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.
(Representative Say voted no.)

SCRep. 547-14 Water & Land on H.B. No. 2385

The purpose of this measure is to require that irrigation project water be used to irrigate agricultural and pasture land; provided that agricultural land shall first be served with water in times of drought or short supply.

Ulu pono Initiative; Hawaii Cattlemen's Council; and Hawaii Farm Bureau testified in support of this measure. The Department of Agriculture commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2385, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2385, H.D. 1, and be referred to the Committee on Agriculture.

Signed by all members of the Committee.

SCRep. 548-14 Water & Land on H.B. No. 1688

The purpose of this measure is to:

- (1) Grant certain lessees of public land the right of first refusal to extend or renew a lease prior to a public auction of the land;
- (2) Establish an appraisal process to assist in the determination of the fair market value of the land for rental purposes where the lease is renewed or extended; and
- (3) Provide for the disposition of improvements to the land where the lease is not renewed or extended.

Citizens for Fair Valuation; Hawaii Island Chamber of Commerce; and a few concerned individuals testified in support of this measure. The Department of Land and Natural Resources testified in opposition of this measure. The Hawaii Farm Bureau Federation commented on this measure.

Your Committee notes that financing for capital infrastructure investments often requires a long-term (30-year) lease and this measure is necessary for holders of long-term leases and to make the most of the land leased through capital improvement projects. Therefore, your Committee has amended this measure by:

- (1) Clarifying that the types of long-term leases on public land available for extension have the following characteristics:
 - (A) There are ten years or less on the lease;
 - (B) The lease is in good standing;
 - (C) Extension is required to secure financing for a capital investment on the property; and
 - (D) The lessee demonstrates that the lessee is qualified for available financing that is dependent on extension of the lease term by providing documentation from the lender;
- (2) Requiring that the lessee is entitled on only one extension and the aggregate term of the original lease plus the extension be no longer than 85 years; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1688, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1688, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Hanohano and Thielen voted no.)

SCRep. 549-14 Water & Land on H.B. No. 2204

The purpose of this measure is to encourage systemic protection of water resources by authorizing counties to establish and charge user fees to maintain stormwater management systems and infrastructure and directing the Commission on Water Resource Management to make recommendations for reducing stormwater runoff and incentivizing reclamation through county water use and development plans.

The Department of Health, Department of Environmental Services of the City and County of Honolulu, Surfrider Foundation, US Green Building Council Hawai'i Chapter, and several individuals supported this measure. The Department of Land and Natural Resources and Maui County Department of Water Supply submitted testimony in opposition to this measure. Hawai'i Farm Bureau Federation and Tax Foundation of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Establishing the counties' authority to establish and charge user fees for stormwater management systems and infrastructure in a statutory section that relates to general county powers rather than to water resource management;
- (2) Charging the Director of Health with investigating and making recommendations on stormwater management by convening a working committee to prepare a work plan to support stormwater management systems and infrastructure throughout the State and to report its findings to the Legislature;
- (3) Appropriating an unspecified sum for the convening of a working committee to prepare the work plan;
- (4) Deleting the provision directing the Commission on Water Resource Management to make recommendation for reducing stormwater runoff and incentivizing reclamation through county water use and development plans;
- (5) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2204, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2204, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Hanohano, Say and Fale voted no.)

SCRep. 550-14 Water & Land on H.B. No. 1866

The purpose of this measure is to enhance oversight of the Hawaii Community Development Authority by, among other things:

- (1) Amending the composition and appointment procedure of the Authority board, including the removal of all existing members and appointment of new members under the amended procedure;
- (2) Making certain Authority actions such as the lease, set aside, or sale of property; the issuance of special facility bonds; the expenditure of funds; and the adoption of rules be subject to legislative action; and
- (3) Repealing the Authority's power to allow for satisfaction of reserved housing requirements through development outside the District.

Friends of Kewalos; Life of the Land Hawaii; Malama Makaha and numerous individuals testified in support of this measure. The Chamber of Commerce Hawaii; Hawaii Building & Construction Trades Council, AFL-CIO; Executive Director of the Hawaii Community Development Authority; and an individual testified in opposition to this measure. The Department of the Attorney General; Department of Business, Economic Development & Tourism; Honolulu City Councilmember representing District VII; Alexander & Baldwin, Inc.; and The Pacific Resource Partnership provided comments.

Your Committee finds that certain fiscal issues, such as those relating to the issuance of bonds and to the regulation of Hawaii Community Development Authority contracts, may not have been thoroughly addressed and merit further consideration. Should the Committee on Finance consider this measure, your Committee respectfully requests that these issues be considered.

Your Committee has amended this measure by:

- (1) Removing the requirement for legislative approval for the adoption of rules, disposition of property, disposition of development and redevelopment projects, set-aside and other public land transactions, and special facility leases by the Authority;
- (2) Deleting provisions removing the Authority's authorization to exercise general executive function over its own operations, as necessary to fulfill its purpose;
- (3) Clarifying a developer's options to satisfy reserved housing requirements through either construction of housing within the development district or providing an equivalent cash payment;
- (4) Requiring that all rules adopted by the Authority comply with all existing laws, rules, and ordinances;
- (5) Applying, for projects under the Authority's jurisdiction, similar prohibitions on real estate speculation, or "flipping," and requirements for the development of affordable housing as those applicable to real property under the jurisdiction of the Hawaii Housing Finance and Development Corporation to workforce housing and reserved housing;

- (6) Eliminating the operating budget and capital investment for the Hawaii Community Development Authority for fiscal year 2014-2015;
- (7) Changing its effective date to July 1, 2020, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1866, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1866, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 551-14 Water & Land/Ocean, Marine Resources, & Hawaiian Affairs on H.B. No. 1689

The purpose of this measure is to help ensure that the allotment of ceded land revenues collected from Mauna Kea lands is appropriate by requiring:

- (1) That the calculation of the pro rata share of ceded land revenues for the lease of Mauna Kea lands be based upon the fair market value of using the lands or facilities and programs related to the lands instead of on actual receipts collected;
- (2) The transfer of twenty percent of lease revenues derived from Mauna Kea lands calculated based on the fair market cash value instead of actual receipts into the Mauna Kea Lands Management Special Fund and subsequently to the public land trust fund under specified conditions for expenditure by the Office of Hawaiian Affairs; and
- (3) A report to the Legislature from the Board of Regents of the University of Hawaii on its fair market rent calculations and fund transfers for use of Mauna Kea lands.

The Department of the Attorney General and University of Hawaii provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that the Board of Regents' report shall contain:
 - (A) The fair market value-based rents it calculated based upon the fair market value of the use of each parcel of Mauna Kea land; and
 - (B) The amounts transferred to the Office of Hawaiian Affairs for use of Mauna Kea lands pursuant to Act 178, Session Laws of Hawaii 2006, expressed as a percentage of both actual receipts and of calculated fair market value-based rent;
- (2) Amending procedures for the transfer of ceded land revenues for the use of Mauna Kea lands to the Office of Hawaiian Affairs to conform to the requirements of Act 178, Session Laws of Hawaii 2006, and related implementing orders;
- (3) Requiring the deposit of revenues collected from the use of Mauna Kea lands into the Mauna Kea Lands Management Special Fund;
- (4) Requiring calculation of the amount of ceded land revenues transferred to the Office of Hawaiian Affairs based on the fair market value of use of the land rather than on actual receipts collected; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Water & Land and Ocean, Marine Resources, & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1689, H.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.B. No. 1689, H.D. 2.

Signed by all members of the Committee except Representative Fale.

SCRep. 552-14 Health on H.B. No. 2320

The purpose of this measure is to establish health equity as a goal for the Department of Health and require the Department to consider social determinants of health, such as the social and physical environment, health services, and structural and societal factors, in assessing health needs in the State.

The Department of Health, Office of Hawaiian Affairs, and Hawaii Primary Care Association provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2320, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2320, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll and Woodson.

SCRep. 553-14 Labor & Public Employment on H.B. No. 1966

The purpose of this measure was to make a technical, nonsubstantive amendment to the public service law.

For the purposes of a public hearing on this measure, your Committee circulated Proposed H.B. 1966, H.D. 1 (Proposed Draft), and notified the public that it would be accepting testimony on the proposal, which ensures effective, efficient, and responsive government service at all levels of the State and ensures financial integrity, responsibility, and efficiency in the state and county governments by requiring the State Auditor to:

- (1) Review the current civil service exemption process; and
- (2) Recommend procedures and guidelines to ensure the appropriate use of this process in extraordinary circumstances.

The United Public Workers, AFSCME, Local 646, AFL-CIO provided testimony in support of the Proposed Draft. The Department of Human Resources Development; Office of Community Services; and Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO provided comments on the Proposed Draft.

Your Committee considered the merits of both H.B. No. 1966, as received by your Committee, and the Proposed Draft. Upon careful consideration, your Committee adopted the substantive contents of the Proposed Draft, and made the following additional amendments:

- (1) Requiring the State Auditor to work with other interested parties, in addition to the Department of Human Resources Development, to determine reasons for circumventing the civil service process and make recommendations to streamline the process for modernizing job descriptions;
- (2) Requiring the State Auditor to recommend criteria to ensure the appropriate use of the civil service exemption process; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1966, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1966, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 554-14 Agriculture on H.B. No. 2560

The purpose of this measure is to assist child care providers in meeting the child care needs of the community by permitting the continued operation of family child care homes in existing farm dwellings on agriculturally designated land despite general use restrictions that permit only agricultural and directly related activities in agricultural districts.

PATCH-People Attentive to Children and numerous concerned individuals supported this bill. The Department of Agriculture commented on this measure.

Your Committee has amended this measure by removing a statutory reference that may have made this measure inapplicable to farm dwellings constructed prior to June 4, 1976.

Your Committee clarifies that this measure is intended to permit family child care homes in farm dwellings constructed prior to July 1, 2014, located on and used in connection with a farm where agricultural activity provides income to the family occupying the dwelling.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2560, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2560, H.D. 2.

Signed by all members of the Committee except Representative Cachola.

SCRep. 555-14 Tourism on H.B. No. 286

The purpose of this bill is to effectuate its title.

H.B. No. 286 was introduced as a short-form bill, which is sometimes referred to as a "vehicle" bill primarily used to introduce a bill containing only a general idea as to the purpose of the bill without specific details in the long form.

Your Committee has amended the bill to provide the substantive contents of the bill in long form so that a public hearing may be properly held on its substantive contents.

The purpose of this measure is to accommodate modern practices in the hospitality industry by amending the liquor licensing law relating to entities eligible for hotel class and condominium hotel class licenses by deleting the requirement that these entities have an adequate kitchen and dining room, where meals are regularly prepared and served to hotel guests and other customers.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the action to report out H.B. No. 286, as amended herein, and recommends that it be recommitted to the Committee on Tourism, for the purpose of holding a public hearing thereon, in the form attached hereto as H.B. No. 286, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Ohno and Takai.

SCRep. 556-14 Water & Land on H.B. No. 1678

The purpose of this measure is to narrow the category of projects subject to review by the Department of Land and Natural Resources for historic preservation purposes by increasing the minimum age threshold for designation as historic property from fifty to seventy-five years and by exempting all residential real property that is not entered or nominated by its owner for entry onto the Hawaii Register of Historic Places from historic preservation review in connection with project or land use applications.

The Department of Design and Construction of the City and County of Honolulu, The Chamber of Commerce of Hawaii, Hawaii Bankers Association, and Hawaii Credit Union League submitted testimony in support of this measure. Historic Hawai'i Foundation, the Society for Hawaiian Archeology, and a few individuals submitted testimony in opposition to this measure. The Department of Land and Natural Resources and Building Industry Association of Hawaii submitted comments.

Your Committee has amended this measure by:

- (1) Removing changes to the minimum age threshold for designation as historic property;
- (2) Specifying that a private residence that has neither been entered onto nor nominated by its owner for entry onto the Hawaii Register of Historic Places is specifically excluded from designation as historic property;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1678, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1678, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Fale.

SCRep. 557-14 Judiciary on H.B. No. 1706

The purpose of this measure is to set a minimum fine of \$200 for parking a vehicle on a bicycle lane or pathway.

The Department of Transportation, Department of Transportation Services for the City and County of Honolulu, and numerous concerned citizens testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1706, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Creagan and Kawakami.

SCRep. 558-14 Higher Education on H.B. No. 2077

The purpose of this measure is to promote positive health practices and protect University of Hawaii students, employees, and visitors from exposure to second-hand smoke and other potentially harmful substances by prohibiting smoking, including the use of electronic smoking devices, and tobacco use on University of Hawaii premises.

The Department of Health, Coalition for a Tobacco-Free Hawaii, American Heart Association, American Lung Association of the Mountain Pacific, University of Hawaii Student Health Advisory Council, and numerous concerned individuals supported this bill. The Hawaii Government Employees Association opposed this measure. The University of Hawaii submitted comments.

Your Committee has amended this bill by:

- (1) Removing the requirement that the University of Hawaii provide tobacco cessation programs for interested employees;
- (2) Amending the definition of "electronic smoking device"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Furthermore, your Committee has concerns that the references to collective bargaining in the bill may need to be addressed, as suggested by the testimony of the Hawaii Government Employees Association.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2077, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2077, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 559-14 Judiciary on H.B. No. 2579

The purpose of this measure is to provide that compromises for workers' compensation claims reached as a result of a third-party liability claim or action do not require the approval of the Director of Labor and Industrial Relations.

The Department of Labor and Industrial Relations testified in support of this measure. The Department of Human Resources Development provided comments.

Your Committee notes that the intent of this measure is not to remove the Director of Labor and Industrial Relation's original jurisdiction over all workers' compensation controversies and disputes. Specifically, this bill shall not impact the Director's powers over controversies and disputes that may arise out of a third party claim, or to recognize and enforce the employer's credit against future workers' compensation benefits when the employee receives net proceeds from a settlement.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2579 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Creagan and Kawakami.

SCRep. 560-14 Judiciary on H.B. No. 2275

The purpose of this measure is to enhance the protections provided to consumers against mortgage rescue fraud by amending the definition of "distressed property consultant" in section 480E-2, Hawaii Revised Statutes, to:

- (1) Include persons who provide, attempt to perform or provide, arrange for others to perform or provide, assist others to perform or provide, or offer to provide certain mortgage rescue services; and
- (2) Clarify that practicing attorneys licensed in Hawaii are exempt from this definition.

The Department of Commerce and Consumer Affairs, Office of Consumer Protection testified in support of this measure. The Hawaii Bankers Association supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2275 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 561-14 Judiciary on H.B. No. 2045

The purpose of this measure is to help reduce disputes and litigation among planned community associations, escrow companies, prior owners and new owners when unpaid association dues are not collected by associations through enforcement of a lien on the property at the time of sale or other conveyance of the property by:

- (1) Holding the grantor and grantee of a voluntarily transferred unit or lot jointly and severally liable for all delinquent assessments existing at the time of the grant or conveyance;
- (2) Requiring the board of the association to provide a statement upon the request of the grantor or grantee setting forth the amount of the unpaid assessments against the grantor; and
- (3) Limiting the liability of the grantee to the amount set forth in the statement provided by the association.

The Hawaii Chapter of the Community Associations Institute testified in support of this measure.

Your Committee recognizes that there may be some ambiguity as to the definition of the word "lot" as used in this measure. Your Committee respectfully encourages further discussion of this concern as this measure proceeds through the legislative process.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2045, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 562-14 Judiciary on H.B. No. 712

The purpose of this measure is to strengthen protection against identity theft for some of the most vulnerable consumers in Hawaii by:

- (1) Prohibiting a consumer credit reporting agency from releasing credit reports or related information for individuals under 16 years old or incapacitated or protected individuals subject to a guardianship or conservatorship, upon request by an authorized representative of such an individual; and
- (2) Establishing procedures to initiate and to terminate the protection of information upon request by the authorized representative or the individual.

The Consumer Data Industry Association supported this bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 712, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 563-14 Judiciary on H.B. No. 1797

The purpose of this measure is to encourage voter participation by:

- (1) Requiring the Department of Education to provide seniors at every public high school with voter registration information prior to graduation and authorizing the Department to assist those students with voter registration; and
- (2) Requiring the Department of Human Services to provide young adults in the Young Adult Voluntary Foster Care Program with voter registration information and authorizing the Department to assist those young adults with voter registration.

The Office of Elections, Department of Education, Hawaii Youth Services Network, and one concerned individual testified in support of this measure. The Elections Division of the Office of the County Clerk of the County of Kauai provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1797, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 564-14 Finance on H.B. No. 1740

The purpose of this measure is to ensure the effective implementation and provision of language access assistance services in the State by government agencies and state-funded entities by amending the amount of funds appropriated for Fiscal Year 2014-2015 during the Regular Session of 2013 for the establishment of the Statewide Language Access Resource Center and the multilingual website pilot project.

The Office of Community Services in the Department of Labor and Industrial Relations; Hawaii Educational Policy Center; National Federation of Filipino American Associations; Hawaii Friends for Civil Rights; Nursing Advocates & Mentors, Inc.; Filipino Coalition for Solidarity; and two concerned individuals testified in support of this measure. The Office of Language Access in the Department of Health and Hawaii Civil Rights Commission commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1740, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 565-14 Finance on H.B. No. 1842

The purpose of this measure is to assist individuals facing or experiencing homelessness by:

- (1) Funding various homeless and housing programs;
- (2) Mandating the establishment of the three-year Return-to-Home Program for eligible homeless individuals; and
- (3) Transferring responsibility for the Homeless Assistance Working Group, established by Act 222, Session Laws of Hawaii 2013, from the Department of Human Services to the Legislature.

The Hawaii Primary Care Association, Community Alliance for Mental Health, United Self Help, Catholic Charities Hawaii, Hawai'i Appleseed Center for Law and Economic Justice, Helping Hands Hawaii, PHOCUSED, Hawaii Catholic Conference, Hawaii Substance Abuse Coalition, and an individual supported this measure. The Department of Human Services and Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1842, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 566-14 Finance on H.B. No. 2429

The purpose of this measure is to provide state income tax relief, including to low-income taxpayers, by increasing:

- (1) The standard deduction and allowable personal exemption amounts for all taxpayers; and
- (2) The number of exemptions that may be claimed by low-income taxpayers who are 65 years of age or older.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2429, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 567-14 Finance on H.B. No. 2430

The purpose of this measure is to appropriate funds to the Senior Farmer's Market Nutrition Program to provide low-income senior citizens with vouchers to exchange for eligible foods at farmers' markets, roadside stands, and community supported agriculture programs.

The Hawaii Dietetic Association and an individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2430, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 568-14 Finance on H.B. No. 2659

The purpose of this measure is to appropriate funds, including a legislative reporting requirement on how appropriated funds are spent, to assist the Office of Youth Services with contracts for mental health, substance abuse, and other treatment practices proven to reduce the likelihood of recidivism among court-involved youth or youth placed on probation.

The Office of the Governor, Judiciary, Office of Youth Services, Honolulu Police Department, Hawaii Youth Services Network, Community Alliance on Prisons, and many individuals testified in support of this measure. The Department of Health provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2659, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 569-14 Finance on H.B. No. 1534

The purpose of this measure is to nurture agricultural innovation to develop a more significant food-focused agricultural industry by establishing the Agriculture Innovation Grant Program to fund start-up agricultural businesses developing innovations for:

- (1) Feed production;
- (2) Food waste recycling;
- (3) On-farm energy efficiency;
- (4) Soil health and conservation;
- (5) Food production;
- (6) Food processing; and
- (7) Marketing for food products.

The College of Tropical Agriculture and Human Resources at the University of Hawaii, Hawaii Cattlemen's Council, Hawaii Farmers Union United, Kuahiwi Ranch, Energy Excelsior, Ulupono Initiative, and three concerned individuals testified in support of this measure. The Department of Budget and Finance, High Technology Development Corporation, Ama, Hawaii Farm Bureau, and a concerned individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1534, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 570-14 Finance on H.B. No. 1716

The purpose of this measure is to protect Hawaii's environment, agriculture, economy, and the health of Hawaii's people by appropriating \$5,000,000 to be expended on projects undertaken in accordance with the Hawaii Invasive Species Council, including invasive species prevention, control, outreach, research, and planning.

The Department of Transportation, Department of Land and Natural Resources, Department of Agriculture, Office of Planning, the Mayor of the County of Maui, Chair of the County Council of the County of Maui, Maui Invasive Species Committee, Hawaii Invasive Species Council, Hawaii Farm

Bureau, Nature Conservancy, and three concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1716 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 571-14 Finance on H.B. No. 1990

The purpose of this measure is to strengthen the food safety aspect of the State's goal for food sustainability and self-sufficiency by establishing the Hawaii Good Agricultural Practices Program for farms growing food products. Specifically, the Program will:

- (1) Develop science- and risk-based good agricultural practices that reasonably reduce the potential for on-farm food borne illness;
- (2) Develop cost- and time-effective programs to educate and train farmers in good agricultural practices;
- (3) Provide procedures for voluntary verification of good agricultural practices and compliance certification; and
- (4) Develop a consumer information program to teach home practices for the treatment and handling of agricultural food products.

Hawaii Farm Bureau, Local Food Coalition, Hawaii Farmers Union United, Kohala Center, and two concerned individuals testified in support of this measure. The Department of Agriculture commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1990 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 572-14 Finance on H.B. No. 2009

The purpose of this measure is to safeguard and protect the State's milk industry by requiring the Milk Control Special Fund to have a reserve of not less than \$300,000 to be used for contingency cost items, including audits, incurred in the administration of the Hawaii Milk Control Act.

The Department of Agriculture, Hawaii Farm Bureau, and Ulupono Initiative testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2009 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 573-14 Finance on H.B. No. 2179

The purpose of this measure is to support diversified agricultural production to achieve the State's goal of food for sustainability and self-sufficiency by establishing for five years a cap on the toll charge for water provided to water users by the Lower Hamakua Ditch irrigation system.

Ulupono Initiative, Hawaii Farm Bureau, and Hawaii Cattleman's Council testified in support of this measure. The Department of Agriculture commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2179, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 574-14 Finance on H.B. No. 1770

The purpose of this measure is to honor and recognize Hawaii residents who have served in the armed forces by allowing applicants for a driver's license or State identification card to have their veteran status added to the information on these forms of identification.

The State Office of Veterans Services; City and County of Honolulu; Advisory Board on Veterans' Services; Veterans of Foreign Wars of the United States, Department of Hawaii; National Association for Uniformed Services, Hawaii Chapter; The Chamber of Commerce of Hawaii; and an individual supported this measure. The Department of Transportation opposed this measure. An individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1770, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 575-14 Finance on H.B. No. 2051

The purpose of this measure is to continue the work initiated to honor the late U.S. Senator Daniel K. Inouye and the late U.S. Representative Patsy T. Mink through commissioning permanent works of art to honor their legacies and their contributions to the people of Hawaii.

Specifically, this measure amends Act 281, Session Laws of Hawaii 2013, by:

- (1) Broadening the criteria for the works of arts to be commissioned; and
- (2) Changing the expending agency to the State Foundation on Culture and the Arts, to which \$250,000 is appropriated for each year of the 2013-2015 fiscal biennium.

The Department of Accounting and General Services, State Foundation on Culture and the Arts, and United Public Workers, AFSCME, Local 646, AFL-CIO supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2051, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 576-14 Finance on H.B. No. 2073

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation Enduring Freedom, Operation New Dawn, the Global War on Terrorism, Homeland Defense, Operation Noble Eagle, and those who have protected our borders by land, sea, and air, by appropriating funds for fiscal year 2014-2015 for the planning, design, and construction of:

- (1) The Hawaii Gulf War Memorial on the grounds of the Hawaii State Veterans Cemetery in Kaneohe, Oahu; and
- (2) Replicas of the Hawaii Gulf War Memorial to be located on the grounds of state veterans' cemeteries statewide.

The Department of Accounting and General Services, State Office of Veterans Services, State Civil Defense, Advisory Board on Veterans' Services, Veterans of Foreign Wars of the United States, National Association for Uniformed Services, Military Officers Association of America, Hawaii Chapter, and several individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2073, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 577-14 Finance on H.B. No. 2074

The purpose of this measure is to honor the sacrifices of those who served in the Armed Forces and assist Hawaii's veterans with their long-term care needs by authorizing the issuance of general obligation bonds for the construction of a veterans long-term care facility.

The member of Congress representing Hawaii's 1st district; State Adjutant General; Office of Veterans Services; Advisory Board on Veterans' Services; Department of Hawaii, Veterans of Foreign Wars of the United States; Hawaii Health Systems Corporation; National Association for Uniformed Services, Hawaii Chapter; Healthcare Association of Hawaii; The Chamber of Commerce of Hawaii; Hawaii Health Systems Corporation Oahu Region; and several individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2074 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 578-14 Finance on H.B. No. 1885

The purpose of this measure is to support the Sand Island State Recreation Area by appropriating funds to the Department of Land and Natural Resources for the planning of infrastructure for the passive recreation area of Sand Island State Recreation Area.

The Department of Land and Natural Resources and three concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1885, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 579-14 Finance on H.B. No. 2059

The purpose of this measure is to create more safe and affordable housing units for Hawaii residents by allocating 50 percent of conveyance tax revenues to be paid annually into the Rental Housing Trust Fund after June 30, 2014.

The Hawaii Housing Finance and Development Corporation, Hawaii Catholic Conference, Community Alliance for Mental Health, Office for Social Ministry of the Catholic Diocese of Honolulu, PHOCUSED, Partners in Care, Hawaii Association of Realtors, Aloha United Way, Hawaii Appleseed Center for Law and Economic Justice, Catholic Charities Hawaii, and Helping Hands Hawaii testified in support of this measure. Chamber of Commerce Hawaii testified in opposition to this measure. The Department of Land and Natural Resources, Department of Budget and Finance, and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2059, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 580-14 Finance on H.B. No. 1652

The purpose of this measure is to establish a five-year pilot program under which the College of Pharmacy of the University of Hawaii at Hilo will be financially and managerially independent. This measure also:

- (1) Establishes a University of Hawaii at Hilo College of Pharmacy Special Fund;
- (2) Establishes a Board of Governors for the University of Hawaii at Hilo College of Pharmacy;
- (3) Authorizes the issuance of general obligation and revenue bonds for the construction of a facility to house the University of Hawaii at Hilo College of Pharmacy; and
- (4) Makes various appropriations.

The Mayor of the County of Hawaii; a councilmember of the Hawaii County Council representing the 3rd District; Hawaii State Teachers Association, Hilo Chapter; Hawaii Island Economic Development Board; Hawaii Island Chamber of Commerce; United Public Workers, AFSCME, Local 646, AFL-CIO (UPW); Hawaii Island Contractors Association; Hawaii Leeward Planning Conference; East Hawaii Region of Hawaii Health Systems Corporation; Japanese Chamber of Commerce and Industry; Kaiser Permanente Hawaii; West Hawaii Regional Board of the Hawaii Health Systems Corporation; Hilo Medical Center Foundation; Friends of Daniel K. Inouye College of Pharmacy; Allied Machinery Corporation; and numerous individuals provided testimony in support of this measure. The Department of Budget and Finance, University of Hawaii, and Healthcare Association of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1652, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 581-14 Finance on H.B. No. 420

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to require the Judicial Selection Commission to disclose the list of judicial nominees for a vacancy in the office of the chief justice, supreme court, intermediate appellate court, circuit courts, or district courts to the public at the same time with the presentation of each list to the Governor or Chief Justice.

The League of Women Voters of Hawaii and two individuals testified in support of this measure. The Department of the Attorney General provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 420, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 582-14 Finance on H.B. No. 1602

The purpose of this measure is to increase transparency in campaign finance and eliminate a one-year gap in the reporting of campaign finances by requiring candidates and the treasurers of their candidate committees to file the January supplemental candidate committee report annually.

The Campaign Spending Commission and Common Cause Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1602 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 583-14 Finance on H.B. No. 1635

The purpose of this measure is to:

- (1) Adjust the salary of the administrative director of the courts to be equal to the salary of the administrative director of the State; and
- (2) Adjust the salary of the deputy administrative director of the courts to be 95 percent of the salary of the administrative director of the State.

The State of Hawaii Judiciary testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1635 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 584-14 Finance on H.B. No. 1844

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to increase the threshold value in controversy requirement for jury trials in civil cases from \$5,000 to \$10,000.

State Farm Mutual Automobile Insurance Company testified in opposition to this measure. A concerned individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1844, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 585-14 Finance on H.B. No. 2235

The purpose of this measure is to streamline notice requirements for what will be considered at a public meeting, by allowing the proposed adoption, amendment, or repeal of administrative rules to be described in meeting agendas in the same manner as public hearing notices so long as the notice:

- (1) Contains a statement of the topic of the proposed rules or a general description of the subjects involved, as described in section 91-3, Hawaii Revised Statutes; and
- (2) Includes a statement of when and where the proposed rules may be viewed in person and on the internet as provided in section 91-2.6, Hawaii Revised Statutes.

The Department of the Attorney General; Department of Business, Economic Development & Tourism; Department of Human Resources Development; and Office of Information Practices testified in support of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2235 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 586-14 Finance on H.B. No. 2590

The purpose of this measure is to increase voter participation in elections by among other things:

- (1) Permitting late voter registration at absentee polling places beginning in 2016; and
- (2) Authorizing late voter registration at precinct polling places beginning in 2018.

The Office of Hawaiian Affairs; Open Law Alliance; Common Cause Hawaii; League of Women Voters; and several concerned individuals testified in support of this measure. The Office of Elections; Office of the City Clerk of the City and County of Honolulu; Office of the County Clerk of the County of Maui; Office of the County Clerk of the County of Kauai; and Americans for Democratic Action Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2590, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 587-14 Finance on H.B. No. 1868

The purpose of this measure is to authorize the issuance of general obligation bonds for fiscal year 2014-2015 to retrofit public school facilities so that they may be used as emergency shelters.

The State Civil Defense, Department of Education, and several individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1868 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 588-14 Finance on H.B. No. 2347

The purpose of this measure is to clarify that exempt and civil service Department of Taxation investigators shall have and may exercise all of the powers, authority, benefits, and privileges of police officers or deputy sheriffs, including the power to arrest.

The Department of Taxation supported this measure. The Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2347, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 589-14 Finance on H.B. No. 2363

The purpose of this measure is to establish, and appropriate funds for, a two-year pilot project to demonstrate the cost-effectiveness of providing a coordinated system of reentry treatment and support services to help nonviolent, low-risk drug offenders transition from prison back into the community.

The City and County of Honolulu Department of the Prosecuting Attorney, Office of the Public Offender, Hawaii Substance Abuse Coalition, Community Alliance on Prisons, Na Koa Ikaika, National Association of Reformed Criminals, and numerous individuals testified in support of this measure. The Department of Public Safety commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2363, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 590-14 Finance on H.B. No. 2521

The purpose of this measure is to protect public health and safety as authorized under section 128-10.3, Hawaii Revised Statutes, by appropriating funds for fiscal year 2014-2015 to the State Civil Defense to:

- (1) Cut, trim, or remove dangerous trees that pose a hazard to other properties;
- (2) Stabilize or remove unstable rock and soil hazards; and
- (3) Clean streams and waterways to mitigate or prevent flooding or other disasters.

The State Civil Defense and several individuals supported this measure. An individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2521, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 591-14 Finance on H.B. No. 1956

The purpose of this measure is to fund collective bargaining cost items for salary adjustments, other cost adjustments, and Hawaii Employer-Union Health Benefits Trust Fund costs for public employees in collective bargaining unit (6)(educational officers) and their excluded counterparts for fiscal biennium 2013-2015.

The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1956 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 592-14 Finance on H.B. No. 2220

The purpose of this measure is to fund collective bargaining cost items for the employees in collective bargaining unit (9) and their excluded

counterparts.

The Department of Budget and Finance and Hawaii Health Systems Corporation testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2220 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 593-14 Finance on H.B. No. 2400

The purpose of this measure is to encourage organ donation and increase the pool of organ donors by providing temporary disability benefits to any employee who suffers a disability as a result of donating an organ.

The Department of Labor and Industrial Relations; United Public Workers, AFSCME, Local 646, AFL-CIO; The Queen's Medical Center; and an individual supported this measure. The Chamber of Commerce of Hawaii opposed this measure. The Department of Human Resources Development commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2400 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 594-14 Finance on H.B. No. 1811

The purpose of this measure is to extend the sunset date of Act 46, Session Laws of Hawaii 2012, by six months to December 31, 2014, thereby extending the time in which the Department of Transportation is authorized to negotiate with airport concessionaires to modify the terms of any concession contract, lease, or permit in exchange for revenue-enhancing improvements that are made or paid for by the concession.

The Department of Transportation, Airport Concessionaires Committee, Tiare Enterprises, Inc., GRL Corporation, Greeters of Hawaii, Ltd., and HMSHost supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1811, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 595-14 Finance on H.B. No. 1122

The purpose of this measure is to provide funding for the establishment and operation of a gift shop in the State Capitol to help visitors remember Hawaii through mementos of historical significance and to raise revenues for the State.

A few concerned individuals testified in support of this measure. The Department of Accounting and General Services testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1122, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 596-14 Finance on H.B. No. 2378

The purpose of this measure is to make appointed members of state boards, commissions, and committees who are subject to Senate confirmation, aware of the laws and practices relating to standards of conduct, public meetings, and the Uniform Information Practices Act by:

- (1) Establishing a public agency meetings and information practices training course to be administered by the Office of Information Practices in person or in an online format;
- (2) Requiring the appointed members to complete the training course on public agency meetings and information practices within six months of each member's Senate confirmation; and
- (3) Requiring the appointed members to complete an ethics training course administered by the State Ethics Commission within six months of each member's Senate confirmation.

League of Women Voters; Common Cause Hawaii; and a concerned individual testified in support of this measure. Office of Information Practices and Hawaii State Ethics Commission commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2378, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 597-14 Finance on H.B. No. 2611

The purpose of this measure is to establish a State Capitol Management Committee to oversee the financing and governance of the State Capitol, including capitol security, maintenance, and the setting of both fiscal and operational priorities.

The Department of Accounting and General Services and the House Sergeant At Arms testified in support of this measure. The Department of Public Safety and Historic Hawai'i Foundation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2611 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 598-14 Finance on H.B. No. 1730

The purpose of this measure is to increase Hawaii's energy security by authorizing the issuance of special purpose revenue bonds to assist Pacific Power Group, LLC, in serving the general public by installing renewable energy projects in the State of Hawaii.

Pacific Power Group LLC testified in support of this measure. The Department of Budget and Finance and Kitahata & Company commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1730, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 599-14 Finance on H.B. No. 1916

The purpose of this measure is to ensure the continued protection of Hawaii's environment by appropriating funds to assist the Hawaii Association of Conservation Districts with staffing and operational costs.

The Department of Agriculture, Hawaii Association of Conservation Districts, Hawaii Farm Bureau Federation, Monsanto, Maui County Farm Bureau, Hawaii Cattlemen's Council, and several concerned individuals testified in support of this measure. The Department of Land and Natural Resources and Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1916 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 600-14 Consumer Protection & Commerce on H.B. No. 2269

The purpose of this measure is to require all managed care plans in the State to provide premium information upon request of the Insurance Commissioner and require the Insurance Commissioner to annually post the premium information on the Insurance Division's website.

The Department of Commerce and Consumer Affairs and HMSA submitted testimony in support of this measure.

Your Committee finds that the publication of health insurance premium comparison sheets will allow individuals and small businesses to review and compare health premiums from all insurers, enabling them to make informed decisions when purchasing health insurance.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2269, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 601-14 Consumer Protection & Commerce on H.B. No. 2147

The purpose of this measure is to exempt the airport operation of concessions for wireless and communication services and for advertising from the public concession bidding process.

The Department of Transportation submitted testimony in support of the measure. ShakaNet, Inc. submitted testimony in opposition to the measure.

Your Committee finds that government agencies require flexibility in the negotiation of airport concession contracts relating to media and advertising technologies that are rapidly evolving. Flexible negotiating procedures will enable the State to provide services consistent with the public's expectation.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2147, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Ito and Oshiro.

SCRep. 602-14 Consumer Protection & Commerce/Judiciary on H.B. No. 1823

The purpose of this measure is to require the Board of Land and Natural Resources to engage in good faith efforts to resolve, through nonbinding mediation, appraisal disputes relating to public lands to be disposed of by drawing or negotiation, the repurchase of land by the Board, or the reopening of the rental to be paid on a lease.

The measure also specifies the procedures for binding arbitration if the nonbinding mediation fails to resolve a dispute relating to the reopening of the rental to be paid on a lease.

The Japanese Chamber of Commerce and Industry, Kitchen and Beyond, Hilo Bay Printing Company, McCully Works, Citizens for Fair Valuation, Hawaii Farm Bureau Federation, Hawaii Cattlemen's Council, and one individual testified in support of the measure.

Your Committees find that mediation is a cost-effective and efficient means to find common ground and resolve disputes. Your Committees believe that by requiring good faith efforts to resolve certain appraisal disputes through nonbinding mediation, this measure will allow the parties to work collaboratively toward mutually beneficial solutions.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1823, H.D. 1, and recommend that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti and McDermott.

SCRep. 603-14 Consumer Protection & Commerce on H.B. No. 2273

The purpose of this measure is to provide the Motor Vehicle Repair Industry Board (Board) with flexibility in developing and administering its certification program for motor vehicle mechanics.

Specifically, this measure authorizes the Board to contract with entities, educational institutions, and other organizations to develop and administer the Board's certification program. It also authorizes the Board to accept certificates from a national certification program without contracting with the national certification program.

The Motor Vehicle Repair Industry Board of the Department of Commerce and Consumer Affairs testified in support of the measure.

Your Committee finds that present law limits the Board to contracting with the University of Hawaii to develop and administer its certification program. The mandate has outlived its useful purpose and is no longer necessary since the National Institute for Automotive Service Excellence has become widely accepted and recognized as the standard industry credential for motor vehicle mechanics.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2273 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Har, Lee, Nakashima and Oshiro.

SCRep. 604-14 Finance on H.B. No. 2180

The purpose of this measure is to support sustainable agriculture in Hawaii by appropriating an unspecified sum for the creation of a pilot project at the College of Tropical Agriculture and Human Resources at the University of Hawaii to create new technologies for sustainable agriculture in the State through scientific research and support services.

The Department of Agriculture and College of Tropical Agriculture and Human Resources at the University of Hawaii testified in support of this measure. The Hawaii Farm Bureau provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2180, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 605-14 Finance on H.B. No. 2072

The purpose of this measure is to appropriate funds to establish a full-time, permanent Women's Veterans Coordinator position in the Office of Veterans Services to address the specialized needs of female veterans who served on active duty for the full period they were activated and who were discharged with other than a dishonorable discharge.

The State Adjutant General; Director of State Civil Defense; Director of the State Office of Veterans Services; Advisory Board on Veterans' Services; Hawaii Military Women's Task Force; National Association for Uniformed Services, Hawaii Chapter; Military Officers Association of America, Hawaii Chapter; Hawaii State Commission on the Status of Women; Hawaii State Democratic Women's Caucus; and numerous individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2072, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 606-14 Finance on H.B. No. 2509

The purpose of this measure is to appropriate funds for programs promoting the removal from the landscape of abandoned tires that have been illegally dumped, including county abandoned tire removal programs that have been established in accordance with statutory requirements for special waste recycling programs.

A member of the Maui County Council and numerous individuals testified in support of this measure. The Department of Health provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2509, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 607-14 Finance on H.B. No. 1942

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Princeton Energy Group or a related special purpose entity with the financing and refinancing costs relating to the planning, design, and construction of a renewable energy project with energy storage technology on the island of Molokai.

Royal Contracting Company; EnerVault; Ulupono Initiative; Molokai Ranch; Princeton Energy Group; and several concerned individuals testified in support of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1942, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 608-14 Finance on H.B. No. 2060

The purpose of this measure is to become more self-sufficient and achieve greater energy security in the State by encouraging the production of renewable fuels by:

- (1) Establishing a renewable fuels production tax credit for qualified taxpayers who are certified by the Department of Business, Economic Development, and Tourism. The tax credit may be claimed for no more than five years; and
- (2) Repealing the ethanol facility tax credit.

Zero Waste Campaign Maui; Pacific Biodiesel Technologies; Upcountry Mobile Mechanic Service, LLC; Hawaii Renewable Energy Alliance; Renewable Energy Action Coalition of Hawaii; Blue Planet Foundation; Maui Recycling Services, Inc.; and several individuals provided testimony in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; Tax Foundation of Hawaii; and Ulupono Initiative provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2060, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 609-14 Finance on H.B. No. 2165

The purpose of this measure is to help Hawaii to meet its present and future energy needs and renewable energy mandates by encouraging the development, expansion, and protection of solar energy. Specifically, this measure:

- (1) Authorizes the counties to create a process for the recordation and enforcement of solar easements; and
- (2) Requires protection of solar access from shade caused by vegetation to preserve the economic value of solar radiation falling on structures, investments in solar energy devices, and options for future uses of solar energy.

The Hawaii Solar Energy Association provided testimony in support of this measure. The Office of the City Clerk of the City and County of Honolulu provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2165, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 610-14 Finance on H.B. No. 2618

The purpose of this measure is to establish an income tax credit, available as either an investment or utilization credit, for grid-connected energy

storage properties with a capacity of at least one megawatt or one megawatt-hour, that are installed and placed in service in the State for taxable years beginning after December 31, 2014, and before January 1, 2026.

The Hawaiian Electric Company, Hawaii Renewable Energy Alliance, Semptra US Gas and Power, Princeton Energy Group, and an individual testified in support of this measure. The Department of Taxation; Department of Business, Economic Development and Tourism; Public Utilities Commission; Tax Foundation of Hawaii; Renewable Energy Action Coalition of Hawaii; Blue Planet Foundation; Beacon Power, LLC; and the Ulupono Initiative provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2618, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 611-14 Finance on H.B. No. 2620

The purpose of this measure is to support environmental protection and prevention efforts by requiring and appropriating funds for the University of Hawaii Sea Grant College Program to prepare a report that updates its 1996 report, "Hawaii's Readiness to Prevent and Respond to Oil Spills" and submit it to the Legislature prior to the convening of the Regular Session of 2016.

The Department of Health and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2620, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 612-14 Finance on H.B. No. 1741

The purpose of this measure is to create and appropriate start-up funds for an infrastructure capacity construction loan revolving fund to provide loans to the counties, state agencies, and private developers to finance the costs of improvements to increase the capacity of infrastructure facilities, including regional sewer, water, and drainage systems and roads.

The Department of Planning and Permitting of the City and County of Honolulu, Chamber of Commerce of Hawaii, Pacific Resource Partnership, and Building Industry Association of Hawaii supported this measure. The Department of Budget and Finance, Department of Commerce and Consumer Affairs, and the Department of Business, Economic Development, and Tourism commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1741 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 613-14 Finance on H.B. No. 1748

The purpose of this measure is to develop a pool of certified medical interpreters in the State by appropriating funds to the Office of Language Access to:

- (1) Provide financial assistance to individual award recipients for training and certification in medical interpretation from a nationally-recognized and accredited certification program in exchange for later service to the State; and
- (2) Develop medical glossaries for the primary foreign languages spoken in the State.

The Office of Community Services within the Department of Labor and Industrial Relations; Hawaii Civil Rights Commission; Filipino Coalition for Solidarity; National Federation of Filipino American Associations Region 12; Filipino American Citizens League; Hawaii Friends for Civil Rights; Hawaii Educational Policy Center; and a concerned individual testified in support of this measure. The Office of Language Access within the Department of Health and Hawaii Interpreter Action Network commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1748, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 614-14 Finance on H.B. No. 2037

The purpose of this measure is to preserve and expand the delivery area of the array of services offered to at-risk girls and their families by Project Kealahou by appropriating funds to continue this project after the expiration of its federal grant funding.

The Judiciary, Department of Health, YWCA of Oahu, Hawaii Youth Services Network, Community Alliance on Prisons, and several concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2037, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 615-14 Finance on H.B. No. 2039

The purpose of this measure is to continue breast and cervical cancer screening, education, treatment, and outreach services through the Comprehensive Breast and Cervical Cancer Control Program by appropriating funds for this program.

The Department of Health; American Cancer Society, Cancer Action Network; and Planned Parenthood of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2039, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 616-14 Finance on H.B. No. 2053

The purpose of this measure is to address falls and fall-related injuries by elderly persons in the State by:

- (1) Establishing a Fall Prevention and Early Detection Coordinator position within the Department of Health Emergency Medical Services and Injury Prevention System Branch to coordinate the provision of public and private fall prevention and early detection services; and
- (2) Appropriating funds from the Trauma System Special Fund to establish and fill this position.

Injury Prevention Advisory Committee; Hawaii Fall Prevention Consortium; Hawaii Primary Care Association; American Medical Response; HARA; PABEA; Zonta Club of Hilo; and two concerned individuals testified in support of this measure. The Executive Office on Aging and Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2053, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 617-14 Finance on H.B. No. 2056

The purpose of this measure is to protect and assist the elderly by, among other things:

- (1) Repealing the civil service status and collective bargaining unit membership of the Alzheimer's Disease and Related Dementia Services Coordinator position in the Executive Office on Aging;
- (2) Establishing an Elder Justice Coordinator position in the Executive Office on Aging to plan and implement statewide initiatives to protect seniors from elder abuse and fraud; and
- (3) Appropriating funds for the Alzheimer's Disease and Related Dementia Services Coordinator position; the Elder Justice Coordinator position; a public awareness campaign on elder abuse; and grants to various senior centers on Oahu.

The Department of Commerce and Consumer Affairs; Department of Community Services of the City and County of Honolulu; Hawaii Primary Care Association; Lanakila Pacific; Hawaii Alliance for Retired Americans; Policy Advisory Board for Elder Affairs; Zonta Club of Hilo; and a concerned individual testified in support of this measure. The Executive Office on Aging commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2056, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 618-14 Finance on H.B. No. 2213

The purpose of this measure is to protect the health, safety, and welfare of the residents of and visitors to Maui by authorizing the issuance of special purpose revenue bonds to assist West Maui and Medical Center Foundation, Inc., to finance the establishment of a hospital in West Maui.

The Mayor of the County of Maui, Chair of the Maui County Council, and a concerned individual testified in support of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2213, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 619-14 Finance on H.B. No. 2457

The purpose of this measure is to promote the dental health of Hawaii's children by, among other things:

- (1) Requiring the Director of Health to participate in the federally managed National Oral Health Surveillance System; and
- (2) Requiring and appropriating funds for the Department of Health to establish or enter into partnerships or agreements to administer a school-based dental sealant program in a high-need demonstration school, establish a plan for a statewide school-based dental sealant program, and report to the Legislature about the Department's efforts to prioritize the prevention of tooth decay among the state's children.

The Department of Education, Department of Health, State Council on Developmental Disabilities, Hawaii Dental Hygienists' Association, Pew Children's Dental Campaign, Good Beginnings Alliance, and two concerned individuals supported the measure. The Hawai'i Primary Care Association submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2457, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 620-14 Finance on H.B. No. 1728

The purpose of this measure is to protect the safety of the traveling public by enabling government agencies to maintain roads whose ownership and jurisdiction are in dispute between the State and counties.

The County Council of the County of Maui, and two concerned individuals testified in support of this measure. The Department of Land and Natural Resources and Department of Transportation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1728, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 621-14 Finance on H.B. No. 1539

The purpose of this measure is to provide fair opportunities for people on the waiting list to receive housing choice voucher program vouchers by requiring the surrender of vouchers when the last original member of a household vacates the housing unit or the last minor household member reaches the age of twenty-one.

The Hawaii Public Housing Authority, Homeless and Affordable Housing Institute, and a concerned individual testified in support of this measure. The Community Alliance for Mental Health provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1539, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 622-14 Finance on H.B. No. 1886

The purpose of this measure is to address the State's critical lack of housing for those who are homeless or at-risk of homelessness by appropriating funds for the Housing First Initiative, the United States Department of Housing and Urban Development's Continuum of Care Permanent Supportive Housing Programs, and the Shallow Subsidy Rental Assistance Program to the Department of Human Services.

The Hawaii Appleseed Center for Law and Economic Justice; Catholic Charities Hawaii; Office for Social Ministry of the Catholic Diocese of Honolulu; Hawaii Catholic Conference; Partners in Care; Hawaii Primary Care Association; Institute for Human Services, Inc.; PHOCUSED; Community Alliance for Mental Health; and Community Alliance on Prisons testified in support of this measure. The Department of Human Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1886, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 623-14 Finance on H.B. No. 2501

The purpose of this measure is to provide stability and oversight to low-income housing residents by:

- (1) Requiring the Hawaii Public Housing Authority (Authority) to designate an onsite resident manager at each public housing complex and state low-income housing project; and

- (2) Establishing four full-time equivalent permanent Certified Public Accountant positions within the Authority to assist the Authority in documenting its financial information.

The Community Alliance for Mental Health testified in support of this measure. Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO, testified in opposition to this measure. The Authority commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2501, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 624-14 Finance on H.B. No. 2656

The purpose of this measure is to authorize condominium associations to review the hiring or continued employment of a managing agent at an association meeting and discharge a managing agent pursuant to a vote by a majority of unit owners. This measure also provides for temporary retention of a discharged managing agent until a replacement managing agent is employed.

An individual provided testimony in support of this measure. ARDA Hawaii, Hawaii First, Hawaii State Association of Parliamentarians, and Community Associations Institute-Hawaii Chapter provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2656, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 625-14 Finance on H.B. No. 1955

The purpose of this measure is to provide fund authorizations and appropriations for collective bargaining cost items for collective bargaining unit (14) and their excluded counterparts.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1955, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 626-14 Finance on H.B. No. 1973

The purpose of this measure is to:

- (1) Impose a penalty on an employer who does not pay an employee temporary partial disability benefits within 14 calendar days after the end of the employee's customary work week;
- (2) Clarify that an employee's eligibility for temporary total or partial disability benefits shall be determined by certification from the employee's attending physician every 30 days or by an examination of the employee's entire available medical records by another physician if the employee's attending physician is not available; and
- (3) Allow contemporaneous certification of an employee's disability status to be waived and allow the retroactive certification of a disability under certain circumstances. Retroactive certification may be requested only once and shall not be for a period exceeding 12 months before the date of the request.

ILWU Local 142 and an individual testified in support of this measure. The Chamber of Commerce of Hawaii; Hawaiian Electric Co., Inc.; Maui Electric Company, LTD.; Hawaii Electric Light Company, Inc.; Hawaii Insurers Council; Building Industry Association of Hawaii; Property Casualty Insurers Association of America; Maui Canyon Adventures Inc., dba Rappel Maui; and John Mullen & Co., Inc. testified in opposition to this measure. The Department of Labor and Industrial Relations; Department of Human Resources Development; and Department of Human Resources, City and County of Honolulu provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1973, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 627-14 Finance on H.B. No. 2038

The purpose of this measure is to establish additional fee-based penalties for certain offenses involving labor trafficking, prostitution, and human trafficking which shall be deposited into a special fund to support services for victims of these offenses.

Hawaii Catholic Conference, Hawaii Family Forum, Pacific Alliance to Stop Slavery, Courage House Hawaii, and numerous individuals testified in support of this measure. The Department of Labor and Industrial Relations Office of Community Services, Department of Budget and Finance, IMUAlliance, and an individual provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2038, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 628-14 Water & Land on H.B. No. 2176

The purpose of this measure is to authorize counties to enact ordinances that provide for the amortization or phasing out of single-family vacation rental properties that constitute nonconforming uses in any zoning area.

Your Committee received testimony in support of this measure from two individuals.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2176 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Fale.

SCRep. 629-14 Water & Land on H.B. No. 2387

The purpose of this measure is to require that the owner of a vessel be at least eighteen years old in order to receive, renew, or be placed on the waitlist for a use permit for a state small boat harbor.

The Department of Land and Natural Resources submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2387 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Fale.

SCRep. 630-14 Judiciary on H.B. No. 1634

The purpose of this measure is to clarify the scope of the Uniform Mediation Act by specifying that the Act does not apply to a mediation conducted by any judge on a case, not just a judge who might make a ruling in the case.

The Judiciary and Uniform Law Commission testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1634 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Ito and Lee.

SCRep. 631-14 Judiciary on H.B. No. 1641

The purpose of this measure is to strengthen the privacy rights of Hawaii residents by:

- (1) Providing that a governmental entity can require the disclosure by a provider of electronic communication service or a provider of remote computing services of the contents of an electronic communication pursuant to a search warrant only; and
- (2) Specifying that a provider of electronic communication service or remote computing service is required to disclose a record or other information pertaining to a subscriber to, or customer of, the service -- other than the contents of an electronic communication -- to a governmental entity when presented with a court order that seeks the disclosure of transactional records, other than real-time transactional records.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kauai, and Department of the Prosecuting Attorney of the County of Maui supported this bill. AT&T submitted comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1641 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 632-14 Judiciary on H.B. No. 1858

The purpose of this measure is to make intentionally or knowingly causing bodily injury to a liquor commission investigator engaged in the

performance of duty punishable as assault in the second degree.

The Liquor Commission of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kaua'i, Department of Liquor Control of the County of Kaua'i, Hawaii Government Employees Association AFSCME Local 152 AFL-CIO, and a concerned individual testified in support of this measure. The Office of the Public Defender testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1858 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima, Wooley and McDermott.

SCRep. 633-14 Higher Education on H.B. No. 1881

The purpose of this measure is to improve the operations of the Advisory Board of the Center for Nursing, established within the University of Hawaii School of Nursing and Dental Hygiene, by:

- (1) Amending the composition of the Advisory Board so that a majority of members represent the nursing profession;
- (2) Specifying term limits for members of the Advisory Board and vacancy procedures regarding the Advisory Board; and
- (3) Repealing the Advisory Board's authority to:
 - (A) Employ staff; and
 - (B) Adopt a mission statement and operational policy.

The University of Hawaii, Hawaii Pacific Health, Straub Clinic & Hospital, Healthcare Association of Hawaii, American Organization of Nurse Executives – Hawaii, Hawaii State Center for Nursing, and several concerned individuals supported this bill.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1881 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 634-14 Higher Education on H.B. No. 2206

The purpose of this measure is to enhance the ability of students to earn college credits by requiring the University of Hawaii and community colleges' college-credit equivalency program to award credits for college-level learning gained from work or other life experiences.

A concerned individual supported this bill. The University of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2206 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Aquino, Awana, Hanohano and Takai.

SCRep. 635-14 Tourism on H.B. No. 286

The purpose of this measure is to accommodate modern practices in the hospitality industry by amending the liquor licensing law relating to entities eligible for hotel class and condominium hotel class licenses by deleting the requirement that these entities have a suitable and adequate kitchen and dining room, where meals are regularly prepared and served to guests and other customers.

The Liquor Commission, City and County of Honolulu; Outrigger Hotels Hawaii; and the Hawaii Lodging & Tourism Association supported this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 286, H.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Ohno, Takai and Tokioka.

SCRep. 636-14 Finance on H.B. No. 2338

The purpose of this measure is to clarify and streamline the Tax Credit for Research Activities under section 235-110.91, Hawaii Revised Statutes, to, among other things:

- (1) Provide that qualifying research activities must be performed in the State for costs to qualify for the tax credit;
- (2) Eliminate the requirement that a qualified high technology business must obtain certification from the Department of Taxation regarding the taxpayer's tax credit claim;

- (3) Eliminate the authority of the Director of Taxation to assess and collect a fee to offset the costs of certifying a qualified high technology business's tax credit claims; and
- (4) Stipulate that failure by a qualified high technology business to submit the annual survey to the Department of Business, Economic Development, and Tourism by the specified due date shall be deemed a waiver of the right to claim the tax credit.

The Department of Taxation and Hawaii Technology Development Corporation supported this measure. The Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2338 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 637-14 Consumer Protection & Commerce on H.B. No. 2268

The purpose of this measure is to change the annual license renewal date for mortgage servicers from June 30 to December 31 of each calendar year.

The Department of Commerce and Consumer Affairs provided testimony in support of this measure.

Your Committee finds that changing the annual license renewal date for mortgage servicers from June 30 to December 31 of each calendar year would be consistent with the NMLS standards for renewal, which will lead to a more efficient use of departmental resources as well as save time and reduce paperwork for those in the industry.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2268 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 638-14 Consumer Protection & Commerce on H.B. No. 2585

The purpose of this measure is to specify parties other than condominium unit owners who may be served notice by publication and posting of nonjudicial foreclosure.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, the Collection Law Section of the Hawaii State Bar Association, and the Community Association Institute.

Your Committee finds that current law only allows condominium associations to serve owners notice of nonjudicial foreclosure by publication. Allowing parties other than condominium unit owners to be served notice by publication and posting of nonjudicial foreclosure will provide condominium associations with an alternative process to enable them to remedy assessment delinquencies without having to resort to judicial foreclosure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2585 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 639-14 Consumer Protection & Commerce on H.B. No. 2031

The purpose of this measure is to require licensed marriage and family therapists to complete a minimum of forty-five hours of continuing education courses, including six hours in ethics courses, during each licensing renewal period, beginning January 1, 2017.

The Department of Commerce and Consumer Affairs Marriage and Family Therapists Program and twenty individuals submitted testimony in support of the measure.

Your Committee finds that Hawaii is one of two remaining states that do not require continuing education credits as part of its licensing laws for marriage and family therapists. This measure will ensure that licensed marriage and family therapists maintain their professional competency and keep abreast of the latest developments in their profession.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2031 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har and Oshiro.

SCRep. 640-14 Consumer Protection & Commerce on H.B. No. 2214

The purpose of this measure to clarify that a condominium association board of directors has the authority to fill interim board vacancies only until the next annual or duly noticed special board meeting.

The Community Association Institute, the Hawaii State Association of Parliamentarians, and two individuals submitted testimony in support of this measure. One individual submitted testimony in opposition. The Hawaii Council of Associations of Apartment Owners submitted comments.

Your Committee finds that this measure will provide needed clarity regarding the authority of condominium association boards of directors to fill interim board vacancies, so that boards can continue to function until the next annual or duly noticed special meeting occurs.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2214 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 641-14 Health on H.B. No. 2092

The purpose of this measure is to strengthen the Medical Use of Marijuana Law by:

- (1) Deleting the requirement that the certifying physician of a medical marijuana patient must be the primary care physician;
- (2) Clarifying that the Department of Health will issue a registration card, not a certificate, to medical marijuana patients who meet the medical marijuana registration requirements; and
- (3) Specifying that the Department of Health shall charge no more than \$35 per year, rather than \$35 per year, to any medical marijuana patient who registers with the Department of Health to obtain authorization to use marijuana for medical purposes in compliance with the law.

Americans for Safe Access, Community Alliance on Prisons, Drug Policy Action Group, American Civil Liberties Union of Hawaii, and several individuals supported this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu, Honolulu Police Department, and several individuals opposed this measure. The Department of Health and several individuals commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2092 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 642-14 Judiciary on H.B. No. 2054

The purpose of this measure is to update the law governing powers of attorney in Hawaii by adopting the Uniform Power of Attorney Act.

The Executive Office on Aging, Commission to Promote Uniform Legislation, AARP Hawaii, and a few concerned individuals supported this bill. The Judiciary submitted comments.

Your Committee has amended this bill by:

- (1) Excluding the applicability of the Uniform Power of Attorney Act to a power of attorney created by a legal parent or legal guardian placing the care of a minor or a disabled adult under another person; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2054, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2054, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 643-14 Judiciary on H.B. No. 2246

The purpose of this measure is to promote state compliance with federal firearm regulations by:

- (1) Establishing a court-based relief program for persons who are federally prohibited from possessing a firearm based on previous adjudication as mentally defective or commitment to a mental institution when they can show recovery by clear and convincing evidence; and
- (2) Requiring the court to forward all orders of involuntary civil commitment to the Hawaii Criminal Justice Data Center for maintenance by the Center and submission to the Federal Bureau of Investigation.

The Department of the Attorney General, National Rifle Association of America, and Hawaii Rifle Association testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2246, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2246, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Lee and Wooley.

SCRep. 644-14 Judiciary on H.B. No. 2139

The purpose of this measure is allow members of a county council to jointly attend and speak at any community, educational, or informational meetings or presentations without violating the transparency provisions of the Hawaii sunshine law if the meeting or presentation is open to the public.

The Maui County Council Vice Chair, Hawaii Farm Bureau Federation, and one concerned individual testified in support of this measure. The Maui County Council Chair testified in support of this measure and requested amendments. The Office of Information Practices; Common Cause Hawaii; League of Women Voters; Media Council Hawaii; Society of Professional Journalists, Hawaii Chapter; Big Island Press Club; and one concerned individual testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Expanding the conditions under which two or more members of a public agency board may jointly attend informational meetings or presentations by requiring that the meeting or presentation be held in the State and be free to the public;
- (2) Clarifying that an unlimited number of members of a county council may only attend informational meetings and presentations and requiring that they individually report their attendance and the matters presented and discussed; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2139, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2139, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Ito, Lee, McDermott and Thielen.

SCRep. 645-14 Judiciary on H.B. No. 2205

The purpose of this measure is to decrease the incidence of property crimes by raising the mandatory minimum term of imprisonment upon conviction of Habitual Property Crime to two years if an offender is sentenced to probation.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kaua'i, and numerous concerned individuals testified in support of this bill. The Office of the Public Defender, Community Alliance on Prisons, and a concerned individual testified in opposition to this bill.

Your Committee has amended this measure by removing the probation option for a person convicted of Habitual Property Crime, thereby requiring the imposition of an indeterminate sentence of up to five years.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2205, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2205, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 646-14 Judiciary on H.B. No. 1415

The purpose of this measure is to clarify provisions relating to the service of process for certain civil actions through publication in a newspaper of general circulation when personal service is unsuccessful by defining the term "general circulation."

The Honolulu Star-Advertiser testified in opposition to this measure. The Hawaii State Bar Association, Collection Law Section; Hawaii Financial Services Association; Hawaii Bankers Association; and Hawaii Credit Union League provided comments.

Your Committee has amended this measure by:

- (1) Creating a new statutory section that establishes requirements for service of process by publication for all civil actions that are subject to standard requirements for notice and conduct of proceedings when personal delivery is unsuccessful including:
 - (A) Publication once each week for three consecutive weeks in a newspaper published in the State and having general circulation, the last of which must be at least twenty-one days before the return date; or

- (B) Publication once in a newspaper of general circulation in addition to publication on a state website subject to the conditions of a court order, no later than twenty-one days prior to the return date; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1415, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1415, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Belatti.

SCRep. 647-14 Judiciary on H.B. No. 1656

The purpose of this measure is to specify the manner in which summons are served for civil actions in Hawaii.

The Department of Public Safety, Collection Law Section of the Hawaii State Bar Association, Hawaii Bankers Association, Mortgage Bankers Association of Hawaii, and two concerned individuals supported this bill. The Hawaii Financial Services Association and Hawaii Credit Union League submitted comments.

Your Committee has amended this bill by:

- (1) Changing its effective date to January 1, 2100, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the requirements for service of summons contained in this bill may conflict with those contained in H.B. No. 1415, which your Committee also considered and recommended for passage on Second Reading, as well as with existing sections of the Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1656, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1656, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.

SCRep. 648-14 Judiciary on H.B. No. 1750

The purpose of this measure is to establish the criminal offense of unlawful distribution of sexual representation to prohibit the unconsented reproduction, distribution, exhibition, publication, transmission, or other dissemination of a representation of a nude person or of a person engaging in sexual conduct.

The Pacific Alliance to Stop Slavery and two concerned citizens testified in support of this measure. The Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, and IMUAlliance provided comments.

Your Committee notes that without a malice element, the application of the offense created under this measure is potentially very broad and could have unintended consequences. Given the possible reach of the proposed offense, it may raise constitutional concerns under the First Amendment. Your Committee respectfully requests that as this measure moves through the Legislature that further discussion take place concerning whether such concern is warranted, and whether further limits should be placed on the offense to ensure that it is more narrowly drawn.

Your Committee has amended this measure by excluding those representations taken voluntarily in public or commercially from the scope of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1750, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1750, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 649-14 Judiciary on H.B. No. 2408

The purpose of this measure is to promote fair elections by requiring the names of candidates to be placed on the ballot for their respective offices in alphabetical order commencing with a randomly-drawn letter.

The Office of Elections, League of Women Voters, and one concerned individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a purpose section describing the Legislature's intent in requiring candidates' names to be listed on the ballots beginning with a letter selected at random;
- (2) Clarifying the method for determining the order of candidates' names on the ballot pursuant to alphabetical order with a randomly

selected starting point;

- (3) Requiring the Chief Election Officer to provide an explanation to voters on the system of placing candidates' names on the ballot; and
- (4) Changing the effective date to provide that if the measure is not enacted by June 3, 2014, its effect will be delayed until November 5, 2014.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2408, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2408, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Ito and Lee.

SCRep. 650-14 Judiciary on H.B. No. 2666

The purpose of this measure is to make permanent the amendment allowing a business to scan an individual's driver's license or identification card to verify age when providing age-restricted goods or services.

The Liquor Commission of the City and County of Honolulu, Department of Liquor Control of the County of Kauai, Department of Liquor Control of the County of Maui, Hawaii Food Industry Association, and Seven-Eleven Hawaii, Inc. provided testimony in support of this measure. The Office of Consumer Protection of the Department of Commerce and Consumer Affairs, Department of Customer Services of the City and County of Honolulu, and American Civil Liberties Union of Hawaii provided testimony in opposition to this measure.

Your Committee has amended this measure by removing reference to "the business" in the reasonable doubt standard that is applicable to the use of scanning for purposes of verifying the age of an individual attempting to purchase age-restricted goods or services.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2666, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2666, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Lee and Nakashima.
(Representatives McDermott and Thielen voted no.)

SCRep. 651-14 Judiciary on H.B. No. 1812

The purpose of this measure is to require disclosure of misconduct by police officers by amending requirements for the annual reports submitted to the Legislature by:

- (1) Specifying a due date and reporting period;
- (2) Requiring more detail, including disclosure of multiple incidents involving the same officer;
- (3) Requiring annual updates on on-going internal grievance adjustment procedures that had not yet concluded by the end of the prior reporting period; and
- (4) Requiring retention of the disciplinary records of each reported incident for the longer of the department's own record retention period or six months after the final annual report concerning that incident has been filed.

The Hawaii Chapter of the Society of Professional Journalists, Civil Beat Law Center for the Public Interest, and a concerned individual testified in support of this measure. The State of Hawaii Organization of Police Officers testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Increasing the minimum time that disciplinary records must be maintained for each reported incident from six months to eighteen months;
- (2) Specifying that the Chief of each county police department is the person responsible for reporting updated information and retaining disciplinary records for each reported incident;
- (3) Permitting the disclosure of information relating to a police officer's misconduct that results in a suspension, in addition to a discharge, under Hawaii's Uniform Information Practices Act; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully notes that consistent with *State of Hawai'i Organization of Police Officers v. Society of Professional Journalists, University of Hawai'i Chapter*, 83 Hawai'i 378 (1996) (*SHOPO v. SPJ*), this measure does not violate the privacy rights of individual police officers. The Hawai'i Supreme Court held in *SHOPO v. SPJ* that, "The information that must be disclosed pursuant HRS § 92F-14(b)(4)(B) regarding a public employee's employment-related misconduct and resulting discipline, is not 'highly personal and intimate information' and is, therefore, not within the scope of Hawai'i's constitutional right to privacy."

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord

with the intent and purpose of H.B. No. 1812, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1812, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.

SCRep. 652-14 Judiciary on H.B. No. 1300

The purpose of this measure is to authorize the formation of directed trusts by specifying the standards of care and performance for fiduciary actions subject to an advisor's authority under the terms of the trust.

The Bank of Hawaii testified in support of this measure. The Central Pacific Bank provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the liability of a trustee under the Hawaii permitted transfer in trust laws by specifying that the trustee shall bear no liability for the results of the advisor's decisions subject to certain conditions;
- (2) Replacing the term "fiduciary" with "trustee" throughout the measure to conform with existing language in the Uniform Probate Code;
- (3) Specifying that one or more persons who are given advisor authority by the terms of a trust, must first accept the authority to be considered an advisor;
- (4) Clarifying the liability protections for a trustee to eliminate immunity where the trustee is grossly negligent;
- (5) Deleting language that would have applied the directed trust standards established by this measure to existing trusts where they were incorporated by the settlor or other authorized person, or by the written agreement of all interested parties;
- (6) Clarifying the definition of "advisor" and deleting the definitions of "interested persons" and "wilful misconduct"; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1300, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1300, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 653-14 Judiciary on H.B. No. 1926

The purpose of this measure is to amend various provisions of the Hawaii Penal Code. Specifically, this measure:

- (1) Allows compensation from the Crime Victim Compensation Commission for victims of Labor Trafficking in the First Degree and Promoting Prostitution in the First Degree;
- (2) Adds sadomasochistic abuse as an element of the offense of Prostitution;
- (3) Limits the law enforcement exemption from the offense of Prostitution to exclude acts involving sexual penetration or sadomasochistic abuse;
- (4) Amends the offense of Solicitation of a Minor for Prostitution by:
 - (A) Including solicitation of a person who represents that person's self as a minor;
 - (B) Increasing the mandatory fines for those convicted under the offense;
 - (C) Providing a law enforcement exemption; and
 - (D) Making it a strict liability offense;
- (5) Clarifies sentencing for repeat offenders and enhanced sentencing for violent and sexual offenses; and
- (6) Makes Solicitation of a Minor for Prostitution ineligible for deferred acceptance of guilty or no contest plea.

The Hawaii State Commission on the Status of Women, Office of the Prosecuting Attorney of the County of Kauai, Hawaii Family Forum, Hawaii Catholic Conference, Pacific Alliance to Stop Slavery, Courage Worldwide Hawaii, Courage House Hawaii, and numerous concerned individuals testified in support of this measure. The Honolulu Police Department testified in opposition to this bill. The Crime Victim Compensation Commission, Office of the Public Defender, Department of the Prosecuting Attorney of the City and County of Honolulu, IMUAlliance, and one concerned individual provided comments.

Your Committee has amended this measure by:

- (1) Deleting provisions that added Labor Trafficking in the First Degree and Promoting Prostitution in the First Degree to the list of offenses for which a victim may receive compensation from the Crime Victim Compensation Commission;
- (2) Deleting the proposed limitation on the law enforcement exemption for Prostitution offenses;
- (3) Deleting provisions that would have required mandatory minimum sentences for repeated convictions of Solicitation of a Minor for Prostitution and Habitual Solicitation of Prostitution;
- (4) Exempting a person convicted of the offense of Solicitation of a Minor for Prostitution from registration with the Hawaii Sex Offender Registry if the person was not more than two years older than the minor at the time of the offense; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1926, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1926, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 654-14 Judiciary on H.B. No. 2654

The purpose of this measure is to assist crime victims to achieve financial justice by ensuring that victim restitution payments are uniformly collected from inmates at the rate of 25 percent of the total of all moneys earned, new deposits, and credits to an inmate's individual account, notwithstanding any other law or court order to the contrary.

The Office of the Prosecuting Attorney of the County of Hawai'i, Office of the Prosecuting Attorney of the County of Kaua'i, Department of the Prosecuting Attorney of the City and County of Honolulu, Department of the Prosecuting Attorney of the County of Maui, Crime Victim Compensation Commission, Sex Abuse Treatment Center, and several concerned individuals testified in support of this measure. The Department of the Attorney General and Department of Public Safety testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Specifying that the amendments proposed by this measure only apply to orders for restitution issued after the measure's effective date; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2654, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2654, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 655-14 Finance on H.B. No. 2280

The purpose of this measure is to appropriate \$50,000,000 in general funds for fiscal year 2014-2015 for deposit into the Hurricane Reserve Trust Fund to rebuild sufficient state fiscal reserves and accelerate recapitalization of the Hurricane Reserve Trust Fund.

The Office of the Governor, Department of Budget and Finance, State Civil Defense, Hawaii Hurricane Relief Fund, and an individual supported this measure.

Your Committee has amended this bill by changing the amount of the appropriation to an unspecified amount.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2280, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2280, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 656-14 Finance on H.B. No. 1704

The purpose of this measure is to provide that notwithstanding provisions of the Internal Revenue Code made operative for state tax purposes, the state income tax credit for research activities shall be calculated based on all qualified research expenses incurred in the taxable year instead of on the increase of expenses over those incurred in previous years.

The High Technology Development Corporation, The Chamber of Commerce of Hawaii, Pacific Marine & Supply, Makai Ocean Engineering, TeraSys Technologies, Oceanit, Navatek Ltd., and numerous individuals supported this measure. The Department of Taxation opposed this measure. The Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1704, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1704, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.

SCRep. 657-14 Finance on H.B. No. 1847

The purpose of this measure is to require all general excise tax returns to be filed electronically beginning January 1, 2015, and authorize the director of taxation to assess administrative fees on returns filed manually.

The Chamber of Commerce Hawaii testified in support of this measure. The Department of Taxation, Disability and Communication Access Board, and Tax Foundation of Hawaii provided comments.

Your Committee notes that vendors often charge a processing fee for payment transactions. Your Committee further notes that discussion was raised as to how this charge may or should apply to taxpayers filing electronically.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1847, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1847, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Jordan.

SCRep. 658-14 Finance on H.B. No. 1848

The purpose of this measure is to require all monthly general excise tax returns to be filed electronically beginning January 1, 2015, and to authorize the Director of Taxation to assess administrative fees on returns filed manually.

The Chamber of Commerce Hawaii testified in support of this measure. The Department of Taxation, Disability and Communication Access Board, and Tax Foundation of Hawaii provided comments.

Your Committee notes that vendors often charge a processing fee for transactions. Your Committee further notes that discussion was raised as to how this charge may or should apply to taxpayers filing electronically.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1848, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1848, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Jordan.

SCRep. 659-14 Finance on H.B. No. 2342

The purpose of this measure is to authorize the Department of Taxation to require the electronic filing of tax returns, including by assessing a two percent penalty of total tax owed, for noncompliance.

The Department of Taxation supported this measure. The Tax Foundation of Hawaii and Hawaii Appleseed Center for Law and Economic Justice provided comments.

Your Committee notes that vendors often charge a processing fee for transactions. Your Committee further notes that discussion was raised as to how this charge may or should apply to taxpayers filing electronically.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2342, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2342, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 660-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.B. No. 2573

The purpose of this measure is to honor a musical instrument that is recognized throughout the world and has a tremendous history in Hawaii by establishing and designating the ukulele as the official ‘auwana instrument of the State.

Several concerned individuals testified in support of this bill. One individual provided comments.

Your Committee has amended this measure by:

- (1) Removing the statutory description delineating the two-part origin of the ukulele;
- (2) Clarifying that the ukulele is the official musical string instrument of the State rather than the official ‘auwana instrument; and
- (3) Making numerous technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2573, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2573, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 661-14 Consumer Protection & Commerce on H.B. No. 2365

The purpose of this measure is to authorize the State Fire Council to:

- (1) Establish procedures for statewide qualifications, testing, and certification for individuals who conduct maintenance testing of fire extinguishers, fire protection systems, and fire alarm systems; and
- (2) Develop, implement, and coordinate a statewide system to promote the effective use of fire and life safety resources.

The Hawaii State Fire Council and the Honolulu Fire Department commented on this measure.

Your Committee has amended this measure by:

- (1) Authorizing the State Fire Council to establish, in conformance with the adopted state fire code and nationally recognized standards, statewide qualifications and procedures, to be administered by county fire departments, for testing, certifying, and credentialing individuals who conduct maintenance testing of fire extinguishers, fire protection systems, and fire alarm systems; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the changes proposed to section 132-16(c)(4), Hawaii Revised Statutes, are not intended to act as a mandate for homeowners to install fire sprinklers in their homes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2365, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2365, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti and Har.

SCRep. 662-14 Consumer Protection & Commerce on H.B. No. 2041

The purpose of this measure is to void franchise agreement provisions that restrict resolution of disputes involving an in-state franchise to an out-of-state forum.

The Chamber of Commerce Hawaii and two individuals submitted testimony in support of the measure. The Department of Commerce and Consumer Affairs submitted comments.

Your Committee finds that selection-of-forum provisions that restrict dispute resolution to an out-of-state forum are boilerplate provisions that place the in-state franchisee at a great disadvantage in seeking a fair and equitable resolution of issues with the mainland franchisor. Much of this disadvantage results from the expense of traveling to the mainland for a resolution. These provisions also thwart the intent of Hawaii's franchise law, under which franchisors are required to be amenable to jurisdiction in the State.

Your Committee has amended this measure by changing the effective date to July 1, 2012, in order to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2041, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2041, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 663-14 Consumer Protection & Commerce on H.B. No. 2584

The purpose of this measure is to ensure personal injury protection benefits remain consistent with the prepaid health care plans in Hawaii by clearly specifying requirements for the reimbursement of drugs, supplies, and materials associated with personal injury protection benefits.

The Hawaii Insurers Council testified in support of this measure. The Department of Commerce and Consumer Affairs, Automated HealthCare Solutions, Hawaii Association for Justice, Work Injury Medical Association of Hawaii, and two individuals testified in opposition to this measure. An individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement that all charges for prescribed drugs, supplies, or materials be separately listed and certified by the health care provider or authorized representative as charges required for the injury covered by motor vehicle insurance benefits;
- (2) Removing language concerning the reimbursement of dietary supplements;
- (3) Inserting language regarding the requirements for reimbursement associated with certain personal injury protection benefits for prescription drugs and compounded drugs specifying that:
 - (A) Payment for all forms of prescription drugs, including repackaged and relabeled drugs, shall be one hundred forty percent of the average wholesale price set by the original manufacturer, except where the insurer directly contracts with the provider for a lower amount;
 - (B) If the original manufacturer is unknown, then payment shall be one hundred forty percent of the average wholesale price for the original manufacturer's National Drug Code number as listed in the Medi-Span Master Drug Database of the prescription drug most closely related to the underlying drug product;
 - (C) Generic drugs shall be substituted for brand name drugs unless a physician certifies otherwise; and
 - (D) Payment for all forms of compounded medications shall be one hundred forty percent of the average wholesale price by gram weight of each underlying prescription drug contained in the compound medication as set by the original manufacturer, except where the insurer directly contracts with the provider for a lower amount;
- (4) Deleting language establishing limits on amounts charged for prescription drugs and medical supplies under personal injury protection benefits with certain exceptions;
- (5) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2584, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2584, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 664-14 Consumer Protection & Commerce on H.B. No. 474

The purpose of this measure is to clarify that an association's duty to report to the Department of Taxation is limited to the relevant information an association actually receives from a transient accommodation operator and limit the fines imposed on an association while also holding an owner or operator of a transient accommodation accountable for failure to report.

The Department of Taxation; Hawaii Association of Vacation Rental Managers; Community Associations Institute's Legislative Action Committee; Princeville at Hanalei Community Association; Hawaii First, Inc.; CAI LAC; and numerous individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Amending the penalties for operators who wilfully fail to supply the required information to a certain association or nongovernmental entity for the property where the transient accommodation is located;
- (2) Clarifying that a fine shall not be imposed for an operator's non-wilful conduct, unless the operator fails to furnish or update the relevant information within sixty days of the discovery of the negligence, administrative error, or other non-wilful conduct;
- (3) Specifying that the penalty for a nongovernmental entity that fails to report to the Department of Taxation the required information shall be imposed not more than once per year;
- (4) Increasing the scope of the relevant information to be reported; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 474, as amended herein, and recommends that it pass Second Reading in the form attached

hereto as H.B. No. 474, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 665-14 Consumer Protection & Commerce on H.B. No. 2215

The purpose of this measure is to:

- (1) Establish a limited lines travel insurance producer license for producers selling, soliciting, or negotiating travel insurance through a licensed insurer; and
- (2) Authorize travel retailers to offer the insurance if registered by a limited lines travel insurance producer.

The American Society of Travel Agents; US Travel Insurance Association; Travel Ways, Inc.; Property Casualty Insurers Association of America; HNL Travel Associates; and Panda Group testified in support of this measure. The Department of Commerce and Consumer Affairs testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Creating two separate licensing fees for limited lines travel insurance producers that:
 - (A) Are licensed as a single entity; and
 - (B) Have persons registered under its license;
- (2) Specifying that nothing in the Producer Licensing Law as found in article 9A of Chapter 431, Hawaii Revised Statutes, shall be construed as granting a company a license to do business in the State unless approved by the Insurance Commissioner;
- (3) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2215, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2215, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 666-14 Consumer Protection & Commerce on H.B. No. 2267

The purpose of this measure is to amend the Secure and Fair Enforcement for Mortgage Licensing Act by making housekeeping amendments to clarify inconsistencies and, among other things, by:

- (1) Amending the types of individuals required to be licensed as a mortgage loan originator;
- (2) Including in the minimum standards for license renewal that a mortgage servicer company must be registered to do business in this State and be in good standing;
- (3) Specifying that denying the Insurance Commissioner or authorized representative access to any office, record, or file may be considered a violation of the Secure and Fair Enforcement for Mortgage Licensing Act; and
- (4) Repealing the language that requires the Insurance Division to reimburse sole proprietors for the fees paid for the State mortgage loan originator's initial application and annual license renewal fees.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Financial Services Association testified in opposition to this measure. The Hawaii Association of Mortgage Professionals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of "offers or negotiates terms of a residential mortgage loan";
- (2) Changing sole proprietor to sole proprietorship throughout the Secure and Fair Enforcement for Mortgage Licensing Act and adding the relevant definition;
- (3) Deleting the license renewal requirement that a mortgage loan originator company and mortgage servicer be in good standing with the business registration division;
- (4) Requiring mortgage home originator companies to post their regular business hours in a conspicuous place at the location;
- (5) Allowing mortgage home originator companies to post language that specifies that members of the public are seen by appointment during regular business hours;

- (6) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2267, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2267, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 667-14 Consumer Protection & Commerce on H.B. No. 2012

The purpose of this measure is to protect consumers in ticket sale transactions by making it an unfair and deceptive practice in the conduct of trade or commerce to:

- (1) Sell or offer to sell event tickets for more than the face value of the tickets, plus taxes and reasonable service charges; or
- (2) Use computer software to circumvent online ticket purchase safeguards to purchase tickets for the purpose of ticket scalping.

The National Consumers League and an individual testified in support of this measure. The Office of Consumer Protection of the Department of Commerce and Consumer Affairs testified in support of the intent of this measure.

Your Committee has amended this measure by:

- (1) Adding a purpose section to specify the intent of this measure;
- (2) Specifying that an allowable reasonable charge for services actually rendered and directly relating to the cost of selling or offering to sell the ticket shall not exceed four hundred percent of the price printed on the ticket;
- (3) Providing an exemption for primary ticket sellers, sale through an internet website under certain conditions, and ticket sales for events taking place outside of the State;
- (4) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee has carefully reviewed the circumstances behind the recent Bruno Mars concert controversy and sympathizes with residents in the State over their inability to obtain tickets for the concert. As your Committee researched this issue, it became aware of attempts by a number of jurisdictions to deal with issues surrounding the resale of tickets and that practice's effect on the non-availability or limitation on availability of tickets for local concert-goers. Your Committee believes that ticket sale by certified resellers is good for the public as it provides certain consumer protections regarding the validity and authenticity of the tickets. While the venue does not control the price of the tickets, the consumers know that the ticket is genuine. Your Committee is concerned that if such legitimate resellers are eliminated the darker result will be the continued but unregulated sale of inauthentic tickets and the consequent controversy at the gate when patrons arrive. Thus, your Committee believes there needs to be a balance between having tickets available for local sale and preserving the legitimate resale of tickets.

Your Committee is also cognizant of the tension between local sales and Hawaii's tourism industry. Similar to local fans, mainland fans may also want to buy tickets to attend a concert in Hawaii. Since tourism plays a substantial role in our economy, the State must also weigh any regulation which would act as a disincentive for persons to travel from Asia or the mainland to Hawaii to attend a concert. Restricting ticket sales totally to Hawaii purchasers may inadvertently send the wrong message to entertainers and tourists alike that they are not welcome in Hawaii. Your Committee does not believe state regulations should articulate or allude to such an intent. Your Committee also believes that restricting sales totally to Hawaii residents may not be pertinent in all cases, such as for entertainers with a regional fan base outside of the State whose fan club wants to hold an event in Hawaii but cannot buy event tickets until after a pointless period of exclusive availability to Hawaii residents. The result could be entertainers avoidance of Hawaii in favor of other venues that don't place such restrictions.

Finally, your Committee believes the real issue influencing the dearth of ticket availability involves the use and retention of tickets by primary sellers, promoters, entertainers, fan clubs, credit card companies, and venues. Your Committee has not had enough time to investigate the number of tickets reserved and taken out of the open market by these entities. Thus, efforts to this point on this measure should be seen as a work in progress.

Your Committee believes, however, that the use of internet bots should be prohibited and that unscrupulous conduct should be barred regardless of the ultimate cause of or regulatory means employed to avoid the unavailability of tickets to the local market.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2012, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2012, H.D. 2, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 668-14 Consumer Protection & Commerce on H.B. No. 2043

The purpose of this measure is to support the openness and transparency originally contemplated in Act 227, Session Laws of Hawaii 2011, by:

- (1) Specifying that arbitration awards issued by a licensed or certified real estate appraiser to determine the fair market value, fair market rental, or fair and reasonable rent of real property shall be open to the public;
- (2) Requiring real estate appraisers acting as arbitrators to record arbitration awards, records of the awards, and any supplementary, dissenting, or explanatory opinions with the Bureau of Conveyances; and
- (3) Clarifying that failure to comply with reporting requirements shall be a violation of the license or certification requirements applicable to real estate appraisers.

Citizens for Fair Valuation; Bacon Universal Company, Inc.; and an individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Inserting substantive content into the relevant existing statutory section, rather than creating a new section, and:
 - (A) Specifying that all information required to be recorded in the Bureau of Conveyances shall be public records;
 - (B) Specifying that recording requirements apply to real estate appraisers named or appointed as arbitrators in a submission agreement to appraise or arbitrate entered after July 1, 2014;
 - (C) Prohibiting agreements between parties or appraisers that attempt to circumvent recording requirements; and
 - (D) Deleting references to deeming a violation of recording requirements to be a violation of license or certification requirements;
- (2) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2043, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2043, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Har.

SCRep. 669-14 Consumer Protection & Commerce/Judiciary on H.B. No. 1503

The purpose of this measure is to make void any provision in a rental agreement that allows for eviction of a tenant for using medical marijuana in any form, unless the agreement allows for eviction for smoking tobacco and the medical marijuana is used by means of smoking.

The Drug Policy Action Group and numerous individuals testified in support of this measure. The Office of Consumer Protection testified in support of the intent of this measure. The Honolulu Police Department, City and County of Honolulu and an individual testified in opposition to this measure. The Hawaii Association of REALTORS and several individuals provided comments on this measure.

Your Committees have amended this measure by:

- (1) Specifying that the protection against eviction applies only to a tenant who holds a valid certificate for medical use of marijuana issued by the Department of Health;
- (2) Clarifying that provisions for eviction based on medical marijuana use shall remain valid where the governing documents of a condominium property regime or planned community association prohibit the medical use of marijuana;
- (3) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees respectfully note that there is a concern that this measure may impact the State's public housing.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1503, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1503, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti and McDermott.
(Representative Ito voted no.)

SCRep. 670-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 12

The purpose of this measure is to honor King Kamehameha the Great and his descendants by:

- (1) Sharing his story with a global audience;

- (2) Promoting ceremonies and activities that celebrate:
 - (A) The vision of King Kamehameha the Great;
 - (B) The spirit of Aloha; and
 - (C) The rich culture and heritage of Hawaii; and
- (3) Urging all of the people of Hawaii to similarly share in the celebrations and activities.

Association of Hawaiian Civic Clubs, Makaha Hawaiian Civic Club, and several individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 12 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee except Representative Lowen.

SCRep. 671-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 30

The purpose of this measure is to honor King Kamehameha the Great and his descendants by:

- (1) Sharing his story with a global audience;
- (2) Promoting ceremonies and activities that celebrate:
 - (A) The vision of King Kamehameha the Great;
 - (B) The spirit of Aloha; and
 - (C) The rich culture and heritage of Hawaii; and
- (3) Urging all of the people of Hawaii to similarly share in the celebrations and activities.

Association of Hawaiian Civic Clubs, Makaha Hawaiian Civic Club, and several individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee except Representative Lowen.

SCRep. 672-14 Economic Development & Business on H.R. No. 4

The purpose of this measure is to make the process for the provision of development permits more timely, uniform, and efficient by requesting the Department of Business, Economic Development, and Tourism to work with construction industry representatives to review the prerequisites for obtaining permit approval for developments at the state and county levels.

The Department of Business, Economic Development, and Tourism provided comments on this measure.

According to the Department of Business, Economic Development, and Tourism, Honolulu will require 5,300 residential units to be built annually until 2020 to meet current and anticipated housing demands. With Hawaii's housing needs increasing, a coordinated effort among all levels of government and the private sector is necessary to facilitate efficiency in the permit approval process for construction projects.

Your Committee notes the concerns raised by the Department of Business, Economic Development, and Tourism that the undertaking proposed by this measure would entail efforts, including the conduct of surveys, which would cost approximately \$100,000. Nevertheless, your Committee finds that this measure deserves further consideration.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 4 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola, Choy, Ito and Wooley.

SCRep. 673-14 Economic Development & Business on H.C.R. No. 8

The purpose of this measure is to make the process for the provision of development permits more timely, uniform, and efficient by requesting the Department of Business, Economic Development, and Tourism to work with construction industry representatives to review the prerequisites for obtaining permit approval for developments at the state and county levels.

The Department of Business, Economic Development, and Tourism provided comments on this measure.

According to the Department of Business, Economic Development, and Tourism, Honolulu will require 5,300 residential units to be built annually until 2020 to meet current and anticipated housing demands. With Hawaii's housing needs increasing, a coordinated effort among all levels of government and the private sector is necessary to facilitate efficiency in the permit approval process for construction projects.

Your Committee notes the concerns raised by the Department of Business, Economic Development, and Tourism that the undertaking proposed by this measure would entail efforts, including the conduct of surveys, which would cost approximately \$100,000. Nevertheless, your Committee finds that this measure deserves further consideration.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 8 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola, Choy, Ito and Wooley.

SCRep. 674-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 17

The purpose of this measure is to honor and recognize those who served, and those who continue to serve, in the Armed Forces and those who were killed in their service to the United States by urging the Secretary of Defense to allow "flyovers" on Armed Forces Day, Memorial Day, Veterans Day, and the Anniversary of Pearl Harbor.

The Chamber of Commerce of Hawaii and a concerned individual testified in support of this measure. The Department of Defense provided comments.

Your Committee has amended this measure to:

- (1) Also urge the President of the United States to allow flyovers;
- (2) Change its title to read: "URGING THE PRESIDENT OF THE UNITED STATES AND THE SECRETARY OF DEFENSE TO ALLOW "FLYOVERS" TO HONOR AND RECOGNIZE ARMED FORCES DAY, MEMORIAL DAY, VETERANS DAY, AND THE ANNIVERSARY OF PEARL HARBOR,"; and
- (3) Make technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 17, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 17, H.D. 1.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 675-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 33

The purpose of this measure is to honor and recognize those who served, and those who continue to serve, in the Armed Forces and those who were killed in their service to the United States by urging the Secretary of Defense to allow "flyovers" on Armed Forces Day, Memorial Day, Veterans Day, and the Anniversary of Pearl Harbor.

The Chamber of Commerce of Hawaii and a concerned individual testified in support of this measure. The Department of Defense provided comments.

Your Committee has amended this measure to:

- (1) Also urge the President of the United States to allow flyovers;
- (2) Change its title to read: "URGING THE PRESIDENT OF THE UNITED STATES AND THE SECRETARY OF DEFENSE TO ALLOW "FLYOVERS" TO HONOR AND RECOGNIZE ARMED FORCES DAY, MEMORIAL DAY, VETERANS DAY, AND THE ANNIVERSARY OF PEARL HARBOR,"; and
- (3) Make technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 33, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 33, H.D. 1.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 676-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 18

The purpose of this measure is to assist members of the Armed Forces in obtaining civilian vocational and professional certifications and licenses, which will help them adjust to civilian life when they separate from military service, by expressing the support of the Legislature for the Troop Talent Act of 2013.

The Department of Defense and National Association for Uniformed Services-Hawaii Chapter testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 18 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 677-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 35

The purpose of this measure is to assist members of the Armed Forces in obtaining civilian vocational and professional certifications and licenses, which will help them adjust to civilian life when they separate from military service, by expressing the support of the Legislature for the Troop Talent Act of 2013.

The Department of Defense and National Association for Uniformed Services-Hawaii Chapter testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 35 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 678-14 Finance on H.B. No. 1712

The purpose of this measure is to authorize the issuance of general obligation bonds to finance capital improvement projects authorized in appropriation measures of the Executive Branch and the Judiciary.

This measure also makes a declaration of findings with respect to the authorizations for the bonds as required under the state constitution.

The Department of Budget and Finance submitted testimony in support of this measure.

Your Committee finds that the measure is a necessary legislative vehicle for the issuance of general obligation bonds to fund state capital improvement projects.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1712 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Jordan.

SCRep. 679-14 Finance on H.B. No. 2341

The purpose of this measure is to lower the threshold tax liability amount for electronic funds transfers, by requiring taxpayers whose tax liability exceeds \$25,000 in one year to transfer these amounts via electronic funds transfer.

The Department of Taxation submitted testimony in support of this measure. The Tax Foundation of Hawaii submitted written comments.

Your Committee finds that the electronic transfer method is the most efficient as well as safest way to pay taxes and that taxpayers who are required to transfer funds electronically will have security in knowing that their payments were sent and received.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2341 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 680-14 Finance on H.B. No. 2508

The purpose of this measure is to prohibit funds appropriated or authorized for state salaries and wages for employee positions that are vacant from being expended for any other purposes, including vacation credit or vacation allowance costs for transferred or discharged employees.

One individual submitted testimony in support of the measure. The Department of Accounting and General Services, Department of Education, Department of Defense, and Office of Planning submitted testimony in opposition to the measure. Your Committee received comments on this measure from the Department of Budget and Finance, the Department of Economic Business, Development, and Tourism, the Public Safety Department, and the High Technology Development Corporation.

Your Committee finds that this measure will increase accountability, promote transparency in the appropriation and expenditure of public moneys, and remove the incentive for departments to keep vital state employment positions vacant.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2508 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 681-14 Finance on H.B. No. 1572

The purpose of this measure is to appropriate funds for grants-in-aid to the Department of the Prosecuting Attorney of the County of Maui for the prosecution of cases, including the hiring of staff, in the drug and mental health court programs.

The Department of the Prosecuting Attorney of the County of Maui submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1572 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 682-14 Finance on H.B. No. 1525

The purpose of this measure is to promote long-term financial stability within Hawaii's tax structure through the establishment of a State Commission on Fiscal Responsibility and Reform. The Commission's goals include identifying revenue enhancement policies and proposing recommendations for the creation of a more balanced and progressive tax structure.

An individual testified in support of this measure. The Department of Budget and Finance, Department of Taxation, and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Adding the Director of Finance to the Commission's membership;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1525, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1525, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 683-14 Finance on H.B. No. 1719

The purpose of this measure is to reduce the state income tax liability of low-income taxpayers.

More specifically, this measure establishes an income tax credit that:

- (1) Eliminates a taxpayer's state income tax liability if the taxpayer's federal adjusted gross income falls below federal poverty guidelines; or
- (2) Reduces a taxpayer's state income tax liability by fifty per cent if the taxpayer's federal adjusted gross income falls between one hundred and one hundred twenty-five per cent of federal poverty guidelines.

The Americans for Democratic Action, Hawaii; Catholic Charities Hawaii; Hawaii Appleseed Center for Law and Economic Justice; National Federation of Filipino American Associations Region 12; Partners in Care; UNITE HERE Local 5; and three individuals testified in support of this measure. The Department of Taxation and the Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that, in comparison to other states that impose an income tax, the income threshold at which a state resident becomes subject to the Hawaii income tax is one of the lowest in the nation. Your Committee also finds that this measure will provide tax relief to low-income taxpayers by establishing a tax credit to reduce or eliminate their state income tax liability.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1719, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1719, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Jordan.

SCRep. 684-14 Finance on H.B. No. 1870

The purpose of this measure is to establish a nonrefundable income tax credit for taxpayers who purchase residential backup generators.

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

Your Committee finds that this measure will benefit taxpayers by mitigating the cost of purchasing a generator to provide electricity for their

homes during an emergency.

Your Committee has amended this measure by:

- (1) Specifying that the tax credit:
 - (A) Can only be claimed once per taxpayer; and
 - (B) Shall not include:
 - (i) The costs of installation or prefatory work required for installation of a residential backup generator; or
 - (ii) Any costs for which another credit is claimed; and
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1870, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1870, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 685-14 Finance on H.B. No. 1893

The purpose of this measure is to establish the American Red Cross Hawaii State Chapter special fund, the assets of which are to be transferred annually to the American Red Cross, Hawaii State Chapter.

The measure also:

- (1) Requires the Adjutant General to submit to the Legislature an annual report on the status of the special fund; and
- (2) Authorizes the designation of \$3 from state income tax refunds to be deposited into the special fund.

The American Red Cross, Hawaii State Chapter testified in support of the measure. The Department of Taxation testified in opposition to the measure. The Department of Budget and Finance and the Tax Foundation of Hawaii provided comments.

Your Committee finds that in-state response capacity and preparedness after a disaster are critical and can often be the difference between life and death. Your Committee also finds that the American Red Cross recruits, trains, and coordinates volunteers to be on call to provide immediate relief to disaster victims. Your Committee believes that the funding provided by this measure will better enable the American Red Cross, Hawaii State Chapter, to respond to any disaster and prepare the community to be ready for emergencies to mitigate the loss of life and property.

Your Committee amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1893, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1893, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 686-14 Finance on H.B. No. 2370

The purpose of this measure is to amend the existing law on partial payment of taxes by requiring that partial payment of taxes be credited in equal amounts to interest, penalties, and principal.

The Chamber of Commerce of Hawaii and an individual provided testimony in support of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2370, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2370, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 687-14 Finance on H.B. No. 2432

The purpose of this measure is to address inequity in taxation of retirement income by excluding income received from deferred compensation retirement plans from the state income tax for taxpayers who meet certain income requirements.

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

Your Committee finds that many seniors in Hawaii are struggling to make ends meet. Excluding income received from deferred compensation retirement plans from the state income tax would help to make taxation more equitable for taxpayers who meet certain income requirements.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2432, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2432, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 688-14 Finance on H.B. No. 2464

The purpose of this measure is to clarify the maximum allowable amounts for the important agricultural land qualified agricultural cost tax credit.

The Department of Taxation, the Department of Agriculture, the Tax Foundation of Hawaii, and Alexander & Baldwin, Inc. submitted comments on the measure.

Your Committee finds that in enacting Act 233, Session Laws of Hawaii 2008, which created the important agricultural land qualified agricultural cost tax credit, the Legislature intended to cap the tax credit at \$625,000, \$250,000, and \$125,000 in the first, second, and third year of claiming the tax credit, rather than at twenty-five per cent of those amounts as the existing law is currently being interpreted.

Your Committee has amended this measure by:

- (1) Authorizing taxpayers who filed claims for taxable years ending prior to January 1, 2014, to claim the additional tax credits allowed under this measure; and
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2464, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2464, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 689-14 Finance on H.B. No. 2507

The purpose of this measure is to authorize the Department of Taxation to establish administrative rules, as an alternative to the Streamlined Sales and Use Tax Agreement, for the development and simplification of procedures necessary to collect and remit sales and use taxes derived from remote sales with outside businesses having no nexus with the State.

The Chamber of Commerce Hawaii testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Walgreen Co. provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2507, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2507, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.
(Representatives Fukumoto and Ward voted no.)

SCRep. 690-14 Finance on H.B. No. 2554

The purpose of this measure is to allow the Hawaii Community Development Authority (HCDA) to approve residential development on lands owned by the Office of Hawaiian Affairs (OHA), notwithstanding the prohibition against residential development in the Kakaako-Makai area; provided that OHA conducts a public hearing prior to approval. This measure also exempts OHA from HCDA's rules requiring dedication of land, facilities, or cash for public facilities as a condition for development.

The Aha Moku Advisory Committee; University of Hawaii at Manoa, Myron B. Thompson School of Social Work; Hawaiian Community Assets; Ali'i Pauahi Hawaiian Civic Club; Native Hawaiian Chamber of Commerce; Ko'olaupoko Hawaiian Civic Club; Pearl Harbor Hawaiian Civic Club; Association of Hawaiian Civic Clubs; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Council for Native Hawaiian Advancement; Kalihi

Palama Hawaiian Civic Club; and several individuals provided testimony in support of this measure. The Kaka'ako Makai Community Planning Advisory Council, Life of the Land, Kaka'ako United, Friends of Kewalos, and several individuals provided testimony in opposition to this measure. The Department of the Attorney General, Na Koa Ikaika, Hawaii's Thousand Friends, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2554, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2554, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Woodson.
(Representatives Kobayashi and Takayama voted no.)

SCRep. 691-14 Finance on H.B. No. 2135

The purpose of this measure is to amend Hawaii's tax structure and administration, including by creating an oversight committee to facilitate implementation, to bring the State into compliance with the requirements of the Streamlined Sales and Use Tax Agreement. The Streamlined Sales and Use Tax Agreement and these amendments, which shall take effect when the State becomes a party to the Agreement, will help to facilitate the collection and remittance of taxes derived from remote sales with outside businesses having no nexus with the State. These tax charges, while technically owed to the State, are virtually impossible to calculate, collect, and enforce under current law.

The Chamber of Commerce Hawaii, Hawai'i Association of REALTORS, Hawaii Food Industry Association, and Hawaii Government Employees Association testified in support of this measure. The Department of Taxation testified in opposition to this measure. Walgreens, Co., and the Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2135, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2135, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.
(Representatives Fukumoto and Ward voted no.)

SCRep. 692-14 Finance on H.B. No. 2000

The purpose of this measure is to amend the state income tax law to make the following Internal Revenue Code provisions fully operative in this State:

- (1) Section 172 (with respect to net operating loss deductions); and
- (2) Section 179 (with respect to the election to expense certain depreciable business assets).

The Department of Taxation provided testimony in opposition to this measure. The Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2000, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2000, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 693-14 Finance on H.B. No. 1849

The purpose of this measure is to reduce the excise tax rate on large cigars from fifty percent of the wholesale price to the lesser of:

- (1) Fifty cents for each large cigar; or
- (2) Fifty percent of the wholesale price.

The Cigar Association of America, Inc.; Hawaii Food Industry Association; Shiroma's Wine and More; Hawaii Cigar Association; and numerous concerned individuals testified in support of this measure. The Department of Health, American Heart Association, American Lung Association, American Cancer Society, Cancer Action Network, Coalition for a Tobacco Free Hawaii, and numerous concerned individuals testified in opposition to this measure. The Department of Taxation, Tax Foundation of Hawaii, Tobaccos of Hawaii, Campaign for Tobacco-Free Kids, and numerous concerned individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1849, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1849, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Hashem.
(Representative Kobayashi voted no.)

SCRep. 694-14 Finance on H.B. No. 2427

The purpose of this measure is to repeal the following unused or inactive non-general funds as recommended by the Auditor in Report No. 14-01, Review of the Revolving Funds, Special Funds, Trust Funds, and Trust Accounts of the Departments of Accounting and General Services, Agriculture, and Budget and Finance:

- (1) Donations for Voter Registration Drive Trust Account;
- (2) Hawaii FYI – ICSD Trust Account;
- (3) Kapolei Regional Sports Complex Special Fund;
- (4) Parking Control Revolving Fund Escrow Account Revolving Fund;
- (5) Returned ACH Tax Refunds Trust Account;
- (6) Agricultural Development and Food Security Special Fund;
- (7) Agricultural Park Special Fund;
- (8) HDOA Biocontrol Foreign Exploration Special Fund;
- (9) Irrigation System Revolving Fund;
- (10) Non-agricultural Park Lands Special Fund; and
- (11) Hawaii EUTF Self-directed Investments Trust Account.

This measure also amends references to the Environmental Response, Energy, and Food Security Tax.

The Hawaii Farm Bureau Federation and The Nature Conservancy of Hawaii testified in opposition to this measure. The Office of the Auditor, Board of Agriculture, Department of Taxation, and Department of Accounting and General Services provided comments.

Your Committee has amended this measure to remove references to the Environmental Response, Energy, and Food Security Tax and repeal only the following funds and accounts:

- (1) Donations for Voter Registration Drive Trust Account;
- (2) Hawaii FYI – ICSD Trust Account;
- (3) Parking Control Revolving Fund Escrow Account Revolving Fund;
- (4) Returned ACH Tax Refunds Trust Account;
- (5) HDOA Biocontrol Foreign Exploration Special Fund;
- (6) Hawaii EUTF Self-directed Investments Trust Account; and
- (7) Animal Quarantine Special Fund.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2427, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2427, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 695-14 Judiciary on H.B. No. 2298

The purpose of this measure is to provide a child-friendly way to notify a child of a hearing under the Child Protective Act. This measure requires the child subject to a petition to be notified by the petitioner, instead of being served a summons by a law enforcement officer. This measure also requires such notice to be given not less than 24 hours prior to a temporary foster custody hearing or 48 hours prior to any other hearing.

The Department of Human Services, Department of the Attorney General, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2298, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 696-14 Judiciary on H.B. No. 2350

The purpose of this measure is to increase public safety by amending existing law regarding the storage of open alcoholic beverage containers in a motor vehicle to meet the qualification requirements for federal highway safety funds. Specifically, this bill:

- (1) Clarifies the conditions under which open alcoholic beverage containers may be kept in a vehicle not equipped with a trunk; and
- (2) Exempts the living quarters of a recreational vehicle, house coach, or house trailer, and any passenger within such a vehicle, from the open alcoholic beverage container provision for vehicles on any public street, road, or highway or at any scenic lookout.

The Department of Transportation testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2350 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Lee and Nakashima.

SCRep. 697-14 Judiciary on H.B. No. 2513

The purpose of this measure is to prevent unwarranted foreclosure actions on residential property by requiring an attorney who files a judicial foreclosure action on behalf of a mortgagee to also submit a signed affidavit to the court at the time that the action is commenced stating that the attorney has verified the accuracy of the document submitted.

The Hawaii Bankers Association, Hawaii Financial Services Association, and Hawaii Credit Union League testified in support of this measure. The Office of Consumer Protection of the Department of Commerce and Consumer Affairs provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2513 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 698-14 Finance on H.B. No. 2094

The purpose of this measure is to protect consumers of home care services by appropriating funds for the establishment of one full-time equivalent (1.00 FTE) permanent position in the Department of Health to facilitate the licensing of home care agencies.

The Chamber of Commerce Hawaii and Healthcare Association of Hawaii testified in support of this measure. The Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2094, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 699-14 Finance on H.B. No. 2131

The purpose of this measure is to assure the health and safety of residents in adult residential care homes and community care foster family homes by requiring:

- (1) Adult residential care homes and community care foster family homes to submit corrective action plans to address deficiencies found pursuant to Department of Health inspections; and
- (2) The Department of Health to respond to corrective action plans within sixty working days of receiving the plan.

The Department of Health; United Group of Home Operators; Caregivers Association; Big Island Adult Foster Home Operators; and numerous concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2131, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 700-14 Finance on H.B. No. 2224

The purpose of this measure is to help residents and prospective residents of clean and sober group homes to access a stable, alcohol- and drug-free, home-like living environment in residences that are in compliance with federal, state, and county requirements and minimum quality standards by:

- (1) Establishing a registry for clean and sober homes within the Department of Health; and
- (2) Amending the relevant statute on county zoning to delete redundant or obsolete language and to comply with federal fair housing law.

The Department of Health; Department of Commerce and Consumer Affairs; Department of Public Safety; and Hawaii Substance Abuse Coalition testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2224, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 701-14 Finance on H.B. No. 1693

The purpose of this measure is to incentivize timely payments to care home facilities operators by requiring the State to pay a set interest rate on late payments by the State to operators of adult day care facilities, community care foster family homes, and adult residential care homes.

The United Group of Home Operators; Caregivers Association; Alliance of Residential Care Administrators; Big Island Adult Foster Home Operators; and two concerned individuals testified in support of this measure. The Department of Human Services testified in opposition to this measure. Easter Seals Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1693, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 702-14 Finance on H.B. No. 1756

The purpose of this measure is to help provide the framework for the transition of the state's potentially disconnected youth to adulthood through the establishment of the enrichment, athletics, culture, and health (R.E.A.C.H.) initiative, including the appropriation of funds to and the creation of a revolving fund to support the administrative costs and staffing of the initiative.

The Department of Education, Department of Human Services Office of Youth Services, Office of Hawaiian Affairs, REACH Out Hawaii, Oceanic Time Warner Cable, Americans for Democratic Action Hawaii, Hawaii Youth Services Network, and two individuals testified in support of this measure. The Office of the Lieutenant Governor and Department of the Attorney General provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1756, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 703-14 Finance on H.B. No. 1889

The purpose of this measure is to guarantee that the rights, privacy, and property of homeless individuals are protected under the laws of this State by establishing a Homeless Person's Bill of Rights.

The Pacific Alliance to Stop Slavery; Hookipa Network; and numerous concerned individuals testified in support of this measure. A concerned individual testified in opposition to this measure. Hawaii Civil Rights Commission and IMUAlliance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1889, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 704-14 Finance on H.B. No. 2478

The purpose of this measure is to help people with disabilities move toward self-sufficiency by creating a non-refundable income tax credit for employers who hire an individual with a disability. Specifically, the tax credit would be in an amount equal to 50 percent of the wages paid to an individual

with a disability during the first six months of the individual's employment.

The State Council on Developmental Disabilities testified in support of this measure. The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2478, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 705-14 Finance on H.B. No. 1576

The purpose of this measure is to address the insufficiency of the current monthly board payment for foster care for children by increasing the rate of the monthly board payment made to foster boarding home parents, group homes, and child care institutions and appropriating funds for this purpose.

Hawai'i Youth Opportunities Initiative, Catholic Charities Hawai'i, Hale Kipa, Family Programs Hawai'i, Hawaii Youth Services Network, and numerous individuals testified in support of this measure. The Department of Human Services and Hawai'i Appleseed Center for Law and Economic Justice commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1576, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 706-14 Finance on H.B. No. 1697

The purpose of this measure is to provide safe places where youth can seek shelter from harmful environments and access advice, guidance, programs, and services by:

- (1) Establishing the five year Safe Places for Youth Pilot Program;
- (2) Establishing the Youth Program Coordinator position; and
- (3) Appropriating an unspecified amount to establish the Youth Program Coordinator position and provide residential options for the Pilot Program.

PHOCUSED, Partners in Care, Hawaii Youth Services Network, Community Alliance for Mental Health, Planned Parenthood of Hawaii, Community Alliance on Prisons, IMUAlliance, Hawaii Association for Justice, and several individuals testified in support of this measure. The Office of Youth Services provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1697, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 707-14 Finance on H.B. No. 1752

The purpose of this measure is to provide quality, cost-effective health care for Hawaii residents who are uninsured, newly insured, underinsured, potential Medicaid enrollees, or Medicaid enrollees by appropriating funds to:

- (1) Provide direct health care for the uninsured and underinsured;
- (2) Restore basic adult dental benefits to Medicaid enrollees;
- (3) Provide outreach and eligibility services, including Medicaid and Children's Health Insurance Programs eligibility, for children, families, and individuals at federally qualified health centers;
- (4) Establish health care homes in Medicaid and for Medicaid enrollees as provided in the Patient Protection and Affordable Care Act; and
- (5) Provide behavioral health services at federally qualified community health centers.

The Office of the Governor, State Council on Developmental Disabilities, The Bay Clinic, Inc., Malama I Ke Ola, Waimanalo Health Center, Ho'ola Lahui Hawai'i, Lana'i Community Health Center, Community Alliance for Mental Health, United Self Help, Kokua Kalihi Valley Comprehensive Family Services, Waianae Coast Comprehensive Health Center, and several individuals supported this measure. The Department of Health, Department of Human Services, Department of the Attorney General, and Hawai'i Primary Care Association commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1752, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 708-14 Finance on H.B. No. 1808

The purpose of this measure is to assist low-income households by:

- (1) Increasing the income threshold to claim the low-income household renter tax credit from \$30,000 to \$59,700;
- (2) Increasing the tax credit from \$50 to \$146; and
- (3) Adjusting the credit for inflation for taxable years after December 31, 2014.

Goodwill Industries of Hawaii, Inc.; Hawaii Community Assets; Community Alliance on Prisons; Catholic Charities Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Partners in Care; PHOCUSED; and several individuals testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and an individual provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1808, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 709-14 Finance on H.B. No. 1934

The purpose of this measure is to better assist individuals at risk of or experiencing homelessness by funding various homeless, housing, and support services programs and by transferring responsibility for the Homeless Assistance Working Group from the Department of Human Services to the Legislature.

The Community Alliance for Mental Health, Hawai'i Primary Care Association, Partners in Care, PHOCUSED, Aloha United Way, Hawai'i Appleseed Center for Law and Economic Justice, Catholic Charities Hawai'i, and Helping Hands Hawai'i testified in support of this measure. The Department of Health and Department of Human Services provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1934, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 710-14 Finance on H.B. No. 2115

The purpose of this measure is to ensure that lower-income residents are able to access a full array of medical treatments by including chiropractic care as a covered service under medical assistance plans administered by the Department of Human Services, including QUEST and Medicaid.

The Hawai'i Primary Care Association and Hawaii State Chiropractic Association supported this measure. The Department of Human Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2115, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 711-14 Finance on H.B. No. 502

The purpose of this measure is to support food security and self-sufficiency in the State by:

- (1) Appropriating funds to the Department of Agriculture to create positions within the Department to monitor local food production; and
- (2) Directing the Department of Agriculture to issue a request for proposals for a report establishing a State food sufficiency baseline based on the percentage of food currently consumed and produced in the State to set food self-sufficiency goals.

Ulu pono Initiative and a concerned individual testified in support of this measure. The Department of Agriculture commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 502, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 712-14 Finance on H.B. No. 2256

The purpose of this measure is to provide for the long-term availability of financial resources to enable the State to achieve its 2030 clean energy and food security goals. Specifically, this measure extends the repeal date of certain sections of Act 73, Session Laws of Hawaii 2010, to ensure the continued availability of funds from the Environmental Response, Energy, and Food Security Tax for these purposes.

The Department of Business, Economic Development, and Tourism; Department of Health; Hawaii Energy Policy Forum; Sierra Club of Hawaii; Hawaii Farm Bureau Federation; The Nature Conservancy; Ulupono Initiative; Blue Planet Foundation; and Hawaii Green Growth testified in support of this measure. The Chamber of Commerce Hawaii testified in opposition to this measure. Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2256 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.
(Representative Fukumoto voted no.)

SCRep. 713-14 Finance on H.B. No. 2543

The purpose of this measure is to advance agricultural and energy initiatives by authorizing the issuance of special purpose revenue bonds in an amount not to exceed \$50,000,000 to assist BioTork Hawaii LLC with the planning, permitting, design, construction, equipping, and operation of a facility capable of converting agricultural crops and by-products to biofuels and high-protein feed.

The Agribusiness Development Corporation, BioTork Hawaii LLC, and Hawaii Farm Bureau supported this measure. The Department of Budget and Finance, Department of Agriculture, and an individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2543 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 714-14 Finance on H.B. No. 1746

The purpose of this measure is to address certain outstanding issues relating to the transfer of rights, powers, functions, duties, and resources from various state departments to the Department of Education as a result of Act 51, Session Laws of Hawaii 2004, by establishing two interagency working groups to discuss and create a comprehensive plan to address:

- (1) Capital improvements statewide and the repair and maintenance of public school facilities on the Neighbor Islands; and
- (2) The transfer of health aides from the Department of Health to the Department of Education and the training of Department of Education employees and agents in the administration of medication to students by the Department of Health.

The Department of Education testified in support of this measure. The Department of Accounting and General Services and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1746, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 715-14 Finance on H.B. No. 1777

The purpose of this measure is to provide safeguards for student health by:

- (1) Authorizing Department of Education employees and agents to volunteer to administer epinephrine to a student in anaphylactic shock;
- (2) Requiring a volunteer to administer injectable epinephrine to receive proper instruction and training from a qualified health care professional;
- (3) Allowing the Department of Education to make arrangements to receive injectable epinephrine supplies from manufacturers and suppliers; and
- (4) Appropriating funds for instruction, training, and related expenses.

The Department of Education; Community Children's Council of Hawaii; Hawaii Association for Justice; Hawaii Government Employees Association; Mylan Inc.; Walgreens Company; and two concerned individuals testified in support of this measure. The Special Education Advisory Council commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1777, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 716-14 Finance on H.B. No. 1925

The purpose of this measure is to help provide a more accurate measure of student health and well-being in Hawaii by requiring the

administration of the Youth Risk Behavior Survey in odd-numbered years to students in grades six to twelve at select public schools, private schools, and charter schools in the State.

Hui for Excellence in Education, Hawaii Youth Services Network, and Planned Parenthood of Hawaii testified in support of this measure. The Department of Health, Department of Education, and a concerned individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1925, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 717-14 Finance on H.B. No. 1676

The purpose of this measure is to expand access to early childhood education in the State by authorizing the Executive Office on Early Learning to enter into agreements with the Department of Education or any public charter school to use vacant classrooms, underutilized classrooms, or classrooms currently being used for preschool for public preschool classrooms, and appropriating funds for this purpose.

The Executive Office on Early Learning, State Public Charter School Commission, Department of Human Services, Early Learning Advisory Board, PHOCUSED, The Chamber of Commerce of Hawaii, University of Hawaii at Manoa College of Education, Hui for Excellence in Education, Good Beginnings Alliance, IMUAlliance, Hawaii Community Foundation, and numerous individuals supported this measure. The Hawaii State Teachers Association, Hawai'i Association for the Education of Young Children, and Kamehameha Schools commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1676, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 718-14 Finance on H.B. No. 1776

The purpose of this measure is to support the health and well-being of students by:

- (1) Adding a dental examination to existing medical requirements for initial entry into school in the State; and
- (2) Requiring and funding the Board of Education to establish a pilot program to require a physical examination for entry into seventh grade in one complex area.

The American Academy of Pediatrics, Hawaii Chapter, testified in support of the measure. The Department of Education testified in opposition of the measure. The Department of Health, State Council on Developmental Disabilities, Hawaii Primary Care Association, the Waianae Coast Comprehensive Health Center, and two individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1776, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 719-14 Finance on H.B. No. 1737

The purpose of this measure is to:

- (1) Require the Office of Community Services to review all grants-in-aid requests submitted to and granted by the 26th Legislature; and
- (2) Make an appropriation to support the expansion of the state-funded immigrant resource centers, contracted by the Office of Community Services with nonprofit service providers, to provide language-accessible direct information and referral services to new immigrants.

The Office of Language Access; Filipino American Citizens League; Filipino Coalition for Solidarity; Caregivers Association; Nursing Advocates & Mentors, Inc.; National Federation of Filipino American Associations Region 12; Susannah Wesley Community Center; Child & Family Service; and Parents and Children Together testified in support of this measure. The Office of Community Services and Catholic Charities Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1737, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 720-14 Finance on H.B. No. 2264

The purpose of this measure is to allow the Board of Trustees of the Employees' Retirement System of the State of Hawaii (ERS) to better manage the ERS real estate portfolio by repealing the limitation on the holding periods for real estate acquired by ERS by foreclosure, by enforcement of

security, or in satisfaction of debts so that it may be held and disposed of like any other investment interest in real property.

The Department of Budget and Finance and the Employees' Retirement System Board testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2264 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 721-14 Finance on H.B. No. 1924

The purpose of this measure is to assist the Council on Revenues in preparing its revenue forecasts by establishing and funding an interdepartmental research task force to:

- (1) Review economic models used by the Council to prepare economic and tax revenue forecasts;
- (2) Review economic data needed for the economic models;
- (3) Review and provide recommendations on the Council's data protocols; and
- (4) Develop, modify, or update economic models for the Council.

An individual testified in support of this measure. The Council on Revenues, Department of Taxation, Department of Business, Economic Development, and Tourism, Department of Labor and Industrial Relations, and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1924, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 722-14 Finance on H.B. No. 2253

The purpose of this measure is to strengthen the film industry in Hawaii and enhance creative sector growth by providing the Department of Business, Economic Development, and Tourism with a means to maintain the Hawaii Film Studio and its support programs. Among other things, this bill:

- (1) Renames the Hawaii Television and Film Development Special Fund to the Hawaii Film and Digital Media Development Special Fund;
- (2) Requires revenues, fees, and charges from the rental and operation of the Hawaii Film Studio, the processing of film permits, and the processing of the motion picture, digital media, and film production income tax credit to be deposited into the Special Fund;
- (3) Deletes provisions relating to the Hawaii Television and Film Development Board, which is no longer active and which no longer serves its intended purpose as a funding mechanism for entertainment projects;
- (4) Requires monies in the Special Fund to be used by the Department of Business, Economic Development, and Tourism to operate, repair, and maintain the Hawaii Film Studio; to support the operations of the Hawaii Film Office; for programs and initiatives for digital industry media development; and for internships and training programs to expand the skill sets of the Hawaii resident workforce in the film and digital media industry; and
- (5) Appropriates monies into and out of the Special Fund to maintain the Hawaii Film Studio and its support programs.

The Department of Business, Economic Development, and Tourism testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2253, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 723-14 Finance on H.B. No. 2481

The purpose of this measure is to support economic development and technology commercialization in Hawaii by establishing the Hawaii High Impact Center for Commercialization to support Hawaii-based small businesses in the fields of dual-use technology, agriculture development, molecular manufacturing, humanitarian assistance, and disaster management and response.

The University of Hawaii; Oceanit; and Spectrum Photonics, Inc., testified in support of this measure. The Hawaii Strategic Development Corporation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2481, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 724-14 Finance on H.B. No. 1069

The purpose of this measure is to make the University of Hawaii Board of Regent's authority to issue revenue bonds for the purpose of providing adequate parking structures and other facilities subject to legislature approval.

An individual testified in support of this measure. The University of Hawaii testified in opposition of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1069, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.
(Representative Ward voted no.)

SCRep. 725-14 Finance on H.B. No. 1654

The purpose of this measure is to help address the backlog of deferred repair and maintenance projects at the University of Hawaii through the establishment of a campus facility board tasked with identifying, evaluating, and prioritizing repair and maintenance projects and reporting its findings to the Legislature.

An individual testified in support of this measure. The University of Hawaii testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1654, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 726-14 Finance on H.B. No. 1996

The purpose of this measure is to enhance food sustainability in the State through the appropriation of general obligation bond funds for the construction of facilities and infrastructure for the Maui food innovation center, a value-added production and business incubation facility, at the University of Hawaii Maui College.

The University of Hawaii Community Colleges; University of Hawaii Maui College; High Technology Development Corporation; Hawaii Strategic Development Corporation; Food Spectrum, LLC; Hawaii Farm Bureau; Hawaii Farmers Union United; and Maui County Farm Bureau testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1996, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 727-14 Finance on H.B. No. 2182

The purpose of this measure is to create and fund the Hawaii Justice League Program to provide loan repayment assistance on behalf of eligible lawyers that pursue public interest work in Hawaii.

The Hawaii Appleseed Center for Law and Economic Justice, Association of Hawaiian Civic Clubs, Students for Public Outreach & Civic Education, Filipino Law Students Association, Hoala Aina Kupono, William S. Richardson School of Law Student Bar Association, Molokai Community Service Council, and numerous concerned individuals testified in support of this measure. The Department of Budget and Finance and the William S. Richardson School of Law at the University of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2182, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 728-14 Finance on H.B. No. 2443

The purpose of this measure is to support the University of Hawaii at Hilo's memorandum of understanding with the RISE 21st Century After School Program, which helps underprivileged children of Hawaiian ancestry with life skills, academic achievement, and life planning, by appropriating funds to establish staff positions at the University's 'Imiloa Astronomy Center of Hawai'i and for related expenses.

The University of Hawaii at Hilo, a Hawaii County Council Member, RISE, 'Imiloa Astronomy Center of Hawai'i, and three concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2443, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 729-14 Finance on H.B. No. 1633

The purpose of this measure is to increase the efficiency and effectiveness of the State Building Code Council by, among other things:

- (1) Modifying the composition, quorum requirement, staffing requirements, and duties of the State Building Code Council;
- (2) Amending the Hawaii State Building Code, including clarifying terminology, amending code requirements and adoption processes, and providing for staggering of code adoptions;
- (3) Requiring the State Building Code Council to submit an annual written report to the Governor on its activities, including the codes and standards it establishes;
- (4) Prohibiting the State Building Code Council from adopting provisions in the Hawaii State Building Codes that conflict with laws governing contractors; and
- (5) Appropriating unspecified funds to the Department of Accounting and General Services for the State Building Code Council's operations and performance of duties.

The American Council of Engineering Companies of Hawaii, Chamber of Commerce Hawaii, Hawaii Laborers' Union, Structural Engineers Association of Hawaii, Hawaii Laborers-Employers Cooperation and Education Trust, Building Industry Association-Hawaii, American Institute of Architects, and General Contractors Association of Hawaii testified in support of this measure. The Department of Accounting and General Services, Department of Labor and Industrial Relations, and Department of Business, Economic Development, and Tourism commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1633, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 730-14 Finance on H.B. No. 1951

The purpose of this measure is to extend for five additional years the special purpose revenue bond authorization granted under Act 113, Session Laws of Hawaii 2009, to assist Honolulu Seawater Air Conditioning, LLC, with the design and construction of a seawater air conditioning district cooling system in downtown Honolulu.

Honolulu Seawater Air Conditioning, The Chamber of Commerce Hawaii, and Ulupono Initiative testified in support of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1951, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 731-14 Finance on H.B. No. 2003

The purpose of this measure is to establish a Hawaii Cybersecurity, Economic, Education, and Infrastructure Coordinator within the State Department of Defense to recommend improvements for State cybersecurity and cyber resiliency, including the setting of requirements for securing state, federal, and private moneys to fund cybersecurity and cyber resiliency improvements in the power, water, communications, transportation, and finance sectors.

The State Department of Defense, Office of Information Management and Technology, and Oceanit testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2003, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 732-14 Finance on H.B. No. 2107

The purpose of this measure is to require the Auditor to conduct a study on the feasibility of having the State of Hawaii establish a captive insurance company to manage the State's property and casualty insurance risks.

The Department of Accounting and General Services testified in support of this measure. The Department of Commerce and Consumer Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2107, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 733-14 Finance on H.B. No. 2484

The purpose of this measure is to make amendments to the liquor license classes by among other things:

- (1) Removing the requirement that a class 14 brewpub licensee manufacture not more than thirty thousand barrels of malt beverages on the licensee's premises during the license year;
- (2) Prohibiting brewpub licensees from selling intoxicating liquor purchases from a class 1 manufacturer licensee for consumption on the premises;
- (3) Increasing the amount of wine that a class 16 winery licensee may manufacture on the licensee's premises during the license year to 20,000 barrels; and
- (4) Establishing a new class 18 liquor license for small craft producer pubs.

Maui Brewing Company, Hawaiian Craft Brewers Guild, and Kauai Island Brewing testified in support of this measure. The Liquor Commission of the City and County of Honolulu and Hawaii Food Industry Association commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2484, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 734-14 Finance on H.B. No. 2150

The purpose of this measure is to stimulate economic growth for the State and continue to develop the State's emerging aerospace sector by appropriating funds to support the Pacific International Space Center for Exploration Systems' Planetary Sustainability Technologies Initiative with the State of California with certain stipulations, including matching fund requirements.

The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; a Hawaii County Council Member; NASA Ames Research Center; International Venture Associates; JAMSS America, Inc.; Pacific International Space Center for Exploration Systems; Ferraro Choi; Near Earth LLC; Shackleton Energy Company; Paragon Space Development Corporation; and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2150, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 735-14 Finance on H.B. No. 2152

The purpose of this measure is to stimulate economic growth for the State and continue to develop the State's emerging aerospace sector by:

- (1) Appropriating general funds to support various administrative and general tasks, and specific strategic program initiatives, of the Pacific International Space Center for Exploration Systems; and
- (2) Authorizing the issuance of general obligation bonds to support the development of a research and development park for the Pacific International Space Center for Exploration Systems.

The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; a Hawaii County Council Member; Pacific International Space Center for Exploration Systems; JAMSS America, Inc.; Ferraro Choi; NASA Ames Research Center; Paragon Space Development Corporation; NASA Kennedy Space Center; Shackleton Energy Company; Near Earth LLC; International Ventures Associates; and a few concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2152, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 736-14 Finance on H.B. No. 2217

The purpose of this measure is to create a highly skilled labor workforce by allowing the Department of Labor and Industrial Relations to establish working groups to identify high growth industries, workforce needs, and develop training programs. This measure also appropriates funds for this purpose.

The United Public Workers, AFSCME, Local 646, AFL-CIO and Hawaii Primary Care Association testified in support of this measure. The Department of Labor and Industrial Relations commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2217, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 737-14 Finance on H.B. No. 2576

The purpose of this measure is to support charter schools in the State by:

- (1) Establishing an income tax credit for contributions of money or in-kind goods and services for the development of charter school facilities;
- (2) Establishing the Hawaii Charter School Facility Development Special Fund to receive public and private funds for expenditure by the State Public Charter School Commission for developing, operating, and maintaining charter school facilities; and
- (3) Appropriating funds to support the development of charter school facilities.

The State Public Charter School Commission, Kamehameha Schools, Hawaiian Educational Council, Hawaii Public Charter Schools Network, and several individuals supported this measure. The Department of Budget and Finance, Department of Taxation, Tax Foundation of Hawaii, and an individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2576, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 738-14 Finance on H.B. No. 1943

The purpose of this measure is to:

- (1) Update the advanced grid modernization technology principles of the Public Utilities Commission (PUC) to address technical, policy, and economic issues associated with modernizing the electric grid;
- (2) Require the PUC to commence a proceeding to address the technical, policy, and economic issues associated with the modernization of the electric grid based on the updated principles added by this measure;
- (3) Clarify the PUC proceeding regarding modernization of the electric grid in the State and the required utility reports to the PUC;
- (4) Direct the Consumer Advocate to represent the interests of all consumers in the course of the PUC proceeding; and
- (5) Appropriate funds to carry out the purposes of this measure.

The Pacific Resource Partnership; Hawaii Farmers Union United, Kona Chapter; League of Women Voters of Hawaii; Carbon Drawdown Solutions, Inc.; Renewable Energy Action Coalition of Hawaii; SolarCity; and numerous individuals provided testimony in support of this measure. The Public Utilities Commission; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; City and County of Honolulu County Councilmember of District 1; Hawaii Renewable Energy Alliance; Hawaiian Electric Company, Inc.; Maui Electric Company, Limited; Hawaii Electric Light Company, Inc.; Sierra Club of Hawaii; RevoluSun; Blue Planet Foundation; Hawaii Solar Energy Association; Inter-Island Solar Supply; Hawaii PV Coalition; Sunrun; Solar Inspectors Hawaii; Haiku Aina Permaculture Initiative; and several individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1943, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 739-14 Finance on H.B. No. 1714

The purpose of this measure is to address the effects of climate change through the year 2050, to protect the State's economy, health, environment, and way of life by:

- (1) Establishing an interagency climate adaptation committee to identify impacts associated with sea level rise and develop a sea level rise vulnerability and adaptation report for Hawaii;
- (2) Authorizing the Office of Planning to develop, monitor, and evaluate strategic climate adaptation plans and actionable policy recommendations for and provide planning and policy assistance to the state and counties to address expected statewide climate change impacts; and
- (3) Creating positions and appropriating funds to carry out these purposes.

The Department of Land and Natural Resources, Department of Health, Office of Environmental Quality Control, State Sustainability Coordinator, Americans for Democratic Action-Hawaii, Sierra Club of Hawaii, and an individual provided testimony in support of this measure. The Office of Planning, Land Use Research Foundation of Hawaii, Chamber of Commerce of Hawaii, and Windward Ahapuaa Alliance provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1714, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 740-14 Finance on H.B. No. 1491

The purpose of this measure is to further the public good and ensure the efficient and effective management of the public funds entrusted to the University of Hawaii by:

- (1) Expanding the Department of Budget and Finance's authority to modify and withhold the University of Hawaii's planned expenditures; and
- (2) Requiring the University of Hawaii to obtain legislative authorization prior to any appropriation transfers or changes between programs or agencies.

An individual provided testimony in support of this measure. The University of Hawaii provided testimony in opposition to this measure. The Department of Budget and Finance provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1491, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.
(Representative Ward voted no.)

SCRep. 741-14 Finance on H.B. No. 1855

The purpose of this measure is to help ensure the fiscal sustainability of the University of Hawaii at West Oahu by prohibiting the sale or gift of land currently being used for the permanent campus of the University of Hawaii at West Oahu without the prior consent of the Legislature by concurrent resolution.

The University of Hawaii provided testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1855, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 742-14 Finance on H.B. No. 1713

The purpose of this measure is to enhance the health and well-being of Hawaii's elderly population by:

- (1) Appropriating funds to support collaborative health care and social service agency community-based programs, including the Kupuna Care Program, Aging and Disability Resource Center, and the Department of Health's Aging Partnership Program; and
- (2) Requiring the Department of Health's Executive Office on Aging to conduct a public education and awareness campaign on long-term care and appropriating funds for this purpose.

The City and County of Honolulu, Elderly Affairs Division; Zonta Club of Hilo; Policy Advisory Board for Elder Affairs; Hawaii Primary Care Association; AARP; Aloha United Way; Hawaii Alliance for Retired Americans; Catholic Charities Hawaii; American Council of Life Insurers; Alzheimer's Association, Aloha Chapter; and several individuals provided testimony in support of this measure. The Executive Office on Aging, Lanakila Pacific, and an individual provided comments on this measure.

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

Signed by all members of the Committee.

SCRep. 743-14 Finance on H.B. No. 2371

The purpose of this measure is to reduce taxes on the State's lowest income residents by:

- (1) Amending the amount and threshold of the refundable food/excise tax credit;
- (2) Amending the income threshold allowing an individual to claim the income tax credit for low-income household renters, from \$30,000 to \$59,700, and increasing the amount of the credit from \$50 to \$146;
- (3) Creating a low-income tax credit to:
 - (A) Reduce state tax liability for low-income taxpayers by 50 percent if a taxpayer has federal adjusted gross income of at least 100 percent but not more than 125 percent of the federal poverty guidelines; and
 - (B) Eliminate state income tax liability for low-income taxpayers whose federal adjusted gross income is below the federal poverty guidelines; and

- (4) Creating an earned income tax credit that allows taxpayers to claim a tax credit equal to an unspecified percentage of the federal earned income tax credit amount.

The Hawaii Alliance for Community-Based Economic Development, National Community Tax Coalition, Hawai'i Appleseed Center for Law and Economic Justice, Aloha United Way, Hawaii Food Industry Association, Hawaii Catholic Conference, Pride At Work Hawai'i, PHOCUSED, Partners In Care, UNITE HERE Local 5, Goodwill Industries of Hawaii, Inc., Hawaii Alliance for Retired Americans, Catholic Charities Hawaii, League of Women Voters of Hawaii, and several individuals supported this measure. The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2371, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 744-14 Finance on H.B. No. 2218

The purpose of this measure is to further the State's interest in conducting its employment practices based on merit principles through use of the civil service system by:

- (1) Converting specified exempt positions to civil service status;
- (2) Providing that civil service exemptions created after July 1, 2014, are to expire five years after their enactment unless affirmatively extended by the Legislature and to include a current and accurate position description; and
- (3) Requiring any department, agency, office, or program affected by this Act to review and revise position descriptions for each position to be converted to a civil service position by July 1, 2015.

The Office of Community Services; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and the Society for Hawaiian Archaeology testified in support of this measure. The Department of Land and Natural Resources; Department of Public Safety; and the Department for Human Resources Development commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2218, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 745-14 Finance on H.B. No. 2413

The purpose of this measure is to apply Hawaii's prevailing wage law for public construction work projects to public-private partnerships by including public-private partnerships in the definition of a governmental contracting agency.

The Hawaii Laborers' Union, Local 368; The Pacific Resource Partnership; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Operating Engineers Industry Stabilization Fund; Hawaii Building and Construction Trades Council, AFL-CIO; Hawai'i Construction Alliance; and Plumbers and Fitters United Association, Local 675 provided testimony in support of this measure. The Associated Builders and Contractors, Inc., Hawaii Chapter opposed this measure. The Department of Labor and Industrial Relations and Hawaii Regional Council of Carpenters provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2413, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 746-14 Finance on H.B. No. 1551

The purpose of this measure is to create the Instructional Office of Hawaiian Studies to provide instruction to public school students on Hawaiian history, culture, arts, and language and to oversee Hawaiian education programs in the public schools. This measure also appropriates funds to establish the office.

The Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Ka Lei Pāpahi'o Kākuhihewa, and several individuals supported this measure. The Board of Education, Department of Education, State Public Charter School Commission, and Office of Hawaiian Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1551 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 747-14 Finance on H.B. No. 1795

The purpose of this measure is to establish:

- (1) An ecotourism program for visitors and residents to contribute toward planting or purchasing native or food-bearing trees to be planted on government-owned lands;
- (2) The Keiki, 'Opio, and Kupuna Trust Fund to encourage people to make strong financial investments while supporting conservation efforts, reforestation of Hawaii's native trees, environmental stewardship, sustainable food and energy production, and programs that support and benefit the State's keiki, 'opio, and kupuna; and
- (3) The Keiki, 'Opio, and Kupuna Trust Fund Advisory Board to solicit money and develop policy, planning, and strategy for the Trust Fund in collaboration with the Department of Land and Natural Resources.

The Office of Hawaiian Affairs, Hawaii Youth Services Network, and the Maui County Office on Aging supported this measure. The Executive Office on Aging and Department of Land and Natural Resources commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1795, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 748-14 Finance on H.B. No. 2622

The purpose of this measure is to establish the Coral Reef and Marine Life Conservation Special Fund within the Department of Land and Natural Resources to collect moneys to be used for the conservation, supplementation, and enhancement of the State's coral reefs and other marine resources.

The Ocean Tourism Coalition supported this measure. The Big Island Fisheries Alliance and several individuals opposed this measure. The Department of Land and Natural Resources and Office of Hawaiian Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2622, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 749-14 Finance on H.B. No. 2177

The purpose of this measure is to establish and fund a community food forest program in the Department of Land and Natural Resources to work with county agencies and community-based citizen groups to develop a network of community food forests that use underutilized public land to provide access to fresh, healthy produce throughout the State.

Numerous concerned individuals testified in support of this measure. The Department of Land and Natural Resources and the Department of Agriculture commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2177, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 750-14 Finance on H.B. No. 2634

The purpose of this measure is to expand the authorization granted by the Board of Land and Natural Resources to extend the rental period of a lease of public lands for commercial and industrial uses, in addition to hotel and resort uses, upon Board approval of the development agreement to make substantial improvements to the leased premises or existing improvements.

A concerned individual testified in support of this measure. The Department of Land and Natural Resources testified in opposition to this measure. The Office of Hawaiian Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2634, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 751-14 Finance on H.B. No. 2204

The purpose of this measure is to encourage the systematic protection of water resources by:

- (1) Authorizing the counties to establish and charge user fees to create and maintain any stormwater management system or infrastructure;
- (2) Creating a working committee in the Department of Health to prepare a work plan to support storm water management systems and infrastructure in the State; and
- (3) Appropriating funds for the working committee to prepare the work plan.

The Department of Land and Natural Resources, Department of Health, Surfrider Foundation, and three concerned individuals testified in support of this measure. The Chamber of Commerce Hawaii testified in opposition to this measure. The Department of Environmental Services of the City and County of Honolulu, Tax Foundation of Hawaii, and two concerned individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2204, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 752-14 Finance on H.B. No. 1931

The purpose of this measure is to help protect Hawaii's macadamia-nut industry by appropriating funds for:

- (1) The Department of Agriculture to research and develop methods for the prevention and treatment of macadamia felted coccid in cooperation with the College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa; and
- (2) The College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa to research and develop methods for the prevention and treatment of macadamia felted coccid in cooperation with the Department of Agriculture.

The Department of Agriculture; ILWU Local 142; Hawaii Farm Bureau Federation; OK Farms LLC; Kau Farms; Edmund C. Olson Trust II; Royal Hawaiian Orchards LP; Royal Hawaiian Services, LP; and several concerned individuals testified in support of this measure. The College of Tropical Agriculture and Human Resources of the University of Hawaii at Manoa commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1931, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 753-14 Finance on H.B. No. 1932

The purpose of this measure is to combat the spread and threat of invasive species to Hawaii's economy by appropriating funds to fully implement the Department of Agriculture's biosecurity program.

The Department of Agriculture, Department of Land and Natural Resources, Department of Transportation, Hawaii Farm Bureau, Democratic Party of Hawaii, Maui Invasive Species Committee, Environmental Caucus of DPH, and a concerned individual testified in support of this measure. The Nature Conservancy commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1932, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 754-14 Finance on H.B. No. 709

The purpose of this measure is to ensure greater protection of the State's ocean resources by:

- (1) Establishing a task force to assist the Department of Land and Natural Resources in developing rules applicable to all coastal areas and nearshore waters and submit regular reports to the Legislature;
- (2) Prohibiting the Department of Land and Natural Resources from implementing rules relating to the coastal areas and nearshore waters of Niihau before the task force submits its final report; and
- (3) Appropriating funds for the Department of Land and Natural Resources to conduct public outreach meetings related to the development of rules applicable to all coastal areas and nearshore waters.

Fishing Tales with Mike Sakamoto and a concerned individual testified in support of this measure. The Department of Land and Natural Resources, Office of Hawaiian Affairs, and the Aha Moku Advisory Committee testified in opposition to this measure.

Your Committee notes that discussion was raised on the potential importance of adding a Native Hawaiian cultural practitioner to the task force.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 709, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 755-14 Finance on H.B. No. 1553

The purpose of this measure is to support land and resource management and the work of the Aha Moku Advisory Committee by appropriating funds for:

- (1) The administration and operational expenses of the Aha Moku Advisory Committee; and
- (2) Community education on the administrative structure regarding the Aha Moku System and on natural and cultural resource management.

The Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Association of Hawaiian Civic Clubs; Aha Moku, Moku O Kanaloa; Aha Moku, Moku O Palaa'u; Aha Moku, Moku O Puna; and an individual supported this measure. The Department of Land and Natural Resources commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1553 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 756-14 Finance on H.B. No. 1715

The purpose of this measure is to support and protect Hawaii's kupuna by appropriating funds for the Office of the Securities Commissioner for educational outreach targeted at kupuna, based on a model similar to the Department of Commerce and Consumer Affairs' existing Investor Education Programs, particularly in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes.

The Department of Commerce and Consumer Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1715, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 757-14 Finance on H.B. No. 2007

The purpose of this measure is to support the growth and sustainability of the local agriculture industry by appropriating funds for the Local and Immigrant Farmer Education Program of the University of Hawaii at Manoa College of Tropical Agriculture and Human Resources Cooperative Extension Service.

Kakoo'o 'Oiwai, Hawai'i Papaya Industry Association, Hawaii Farm Bureau Federation, the Ulupono Initiative and numerous individuals testified in support of this measure. The University of Hawaii at Manoa College of Tropical Agriculture and Human Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2007, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 758-14 Finance on H.B. No. 1695

The purpose of this measure is to:

- (1) Change the public assistance allowance for state public assistance cash benefit payments to equal an unspecified percentage of the current poverty level established by the federal government; and
- (2) Amend the state supplemental payment for domiciliary care provided in adult residential care homes, expanded adult residential care homes, licensed developmental disabilities domiciliary homes, community care foster homes, and certified adult foster homes to adults eligible for state or federal assistance benefits.

Big Island Adult Foster Home Operators; The Caregivers Association; the United Group Home Operators; and an individual testified in support of this measure. The Department of Human Services commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1695, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 759-14 Finance on H.B. No. 2277

The purpose of this measure is to improve the quality and cost-effectiveness of health care in the State by, among other things:

- (1) Extending to June 30, 2017, the duration of the Health Care Transformation Program's temporary placement within the Office of the Governor;
- (2) Effective July 1, 2017, transferring the Health Care Transformation Program from the Office of the Governor to the Hawaii Health Care Planning and Policy Authority, which is the successor agency to the State Health Planning and Development Agency, updated to

accommodate this transfer;

- (3) Establishing the Health Care Transformation Special Fund to receive public and private funds for the Health Care Transformation Program;
- (4) Requiring the Governor to submit progress reports on the Health Care Transformation Program to the Legislature prior to the 2015 and 2016 Regular Sessions and a final report prior to the 2017 Regular Session; and
- (5) Appropriating funds to the Office of the Governor for the Healthcare Transformation Program Coordinator to carry out the Health Care Transformation Program.

The Office of the Governor, University of Hawaii at Manoa School of Nursing & Dental Hygiene, Hawaii Health Information Exchange, East Hawaii Regional Chief Executive Officer of the Hawaii Health Systems Corporation, Hawaii Medical Service Association, Hawai'i Primary Care Association, Hawai'i Pacific Health, Ho'ōla Lāhui Hawai'i, and an individual supported this measure. An individual opposed this measure. The Office of Hawaiian Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 760-14 Finance on H.B. No. 2299

The purpose of this measure is to maintain compliance with federal health information privacy and security laws by establishing permanent or temporary privacy officer and security officer positions, temporarily exempted from civil service laws, in the Department of Health.

The Department of Health testified in support of this measure. Hawaii Government Employees Association commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2299, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 761-14 Finance on H.B. No. 2309

The purpose of this measure is to increase administrative fines for violations of Department of Health laws and rules from a maximum of \$1,000 per day to \$3,000 per day; provided that the maximum administrative penalty shall be adjusted for inflation on an annual basis.

The Chamber of Commerce Hawaii and Hawaii Food Industry Association testified in opposition.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2309, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 762-14 Finance on H.B. No. 2518

The purpose of this measure is to provide for a comprehensive review of the Hawaii State Plan by:

- (1) Requiring the Office of Planning to:
 - (A) Review the Hawaii State Plan to recommend amendments for updating the Hawaii State Plan in response to current state needs; and
 - (B) Submit a written report to the Legislature no later than 30 days prior to the convening of the 2016 Regular Session of its findings, recommendations, and proposed legislation, with respect to reviewing and proposing updates to the State Planning Act; and
- (2) Appropriating funds for the Office of Planning to review and propose updates to the State Planning Act.

The Nature Conservancy and Enterprise Honolulu supported this measure. The Office of Planning commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2518, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 763-14 Finance on H.B. No. 2468

The purpose of this measure is to continue to support agriculture as an economic driver in the State, particularly for the island of Hawaii, by:

- (1) Authorizing the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform studies and analysis relating to the establishment of one or more facilities on the island of Hawaii for quarantine inspection and treatment and handling of incoming and outgoing commodities;
- (2) Requiring the Department of Business, Economic Development, and Tourism to submit a report to the Legislature on the studies and analysis; and
- (3) Appropriating funds for the planning, marketing, and economic analysis.

The Department of Business, Economic Development, and Tourism; Department of Agriculture; Hawaii Farm Bureau; and the Hawaii Floriculture and Nursery Association testified in support of the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2468 and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 764-14 Finance on H.B. No. 1671

The purpose of this measure is to assist the counties financially by removing the \$93,000,000 cap on the Transient Accommodations Tax (TAT) revenues currently allocated to the counties and instead allocating TAT revenues to the counties according to a percentage of the total TAT revenues collected.

The Mayor of the City and County of Honolulu; Mayor of the County of Maui; Mayor of the County of Hawaii; Chair of Hawaii County Council; Chair of Kauai County Council; Chair of Maui County Council; Chair of Honolulu City Council; Chair of the Budget and Finance Committee of Maui County Council; Chair of the Human Services and Social Services Committee of Hawaii County Council and Councilmember of Hawaii County Council, District 8; Vice Chair of Kauai County Council; Vice Chair of Maui County Council; Councilmember of the City and County of Honolulu, District 4; Councilmember of Kauai County Council, District At Large; Councilmember of Hawaii County Council, District 4; Councilmember of Maui County Council, South Maui; Councilmember of Maui County Council, Molokai; Director of Finance of the County of Kauai; Outrigger Hotels Hawaii; and ILWU Local 142 supported this measure. The Department of Budget and Finance, Tax Foundation of Hawaii, Hawaii Tourism Authority, and Hawai'i Lodging & Tourism Association commented on this measure.

Your Committee notes that the Transient Accommodations Tax has been the subject of considerable discussion and debate among policymakers regarding its effect as a significant revenue generator and funding source in the State. The economic downturn and slow periods of economic growth greatly lowered the amount of Transient Accommodations Tax and other tax revenues generated by the State, thus affecting the provision of government services to the community. The Legislature has been hard-pressed to make tough decisions to balance the State Budget while ensuring that health, education, pension, and other state services are met.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1671, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 765-14 Judiciary on H.B. No. 1024

The purpose of this measure is to permanently extend the law providing county lifeguards protections from liability by repealing the sunset date of Act 170, Session Laws of Hawaii 2002, as amended.

The Attorney General, Department of Land and Natural Resources, Mayor of the City and County of Honolulu, Mayor of the County of Hawaii, Mayor of the County of Maui, Mayor of the County of Kauai, Council Chair of the Council of Maui, the Councilmember of the 4th District of the City and County of Honolulu, Kauai Fire Department, Ocean Safety Bureau of the Kauai Fire Department, Ocean Safety Division of the Honolulu Emergency Services Department, Hawaii Fire Department, Hawaii State Fire Council, Honolulu Fire Department, Kauai Visitors Bureau, Kauai Lifeguard Association, Hawaiian Lifeguard Association, Injury Prevention Advisory Committee, Outrigger Hotels Hawaii, Waikiki Improvement Association, Poipu Beach Resort Association, Kauai Chamber of Commerce, and many individuals testified in support of this measure. The Hawaii Association for Justice testified in opposition of this measure. The Hawaii State Association of Counties provided comments.

Your Committee acknowledges the protections that lifeguards afford to the public, both residents and visitors alike, in their enjoyment of state and county beaches. Your Committee also acknowledges that prior to the passage of Act 170 in 2002, there had been extremely few instances of lawsuits filed against lifeguards posted at state and county beaches.

Your Committee has amended this measure by:

- (1) Changing the length of the extension of the Act 170 liability shield for county lifeguards from a permanent extension to a period of three years;
- (2) Requiring the counties to submit a report on litigation against county lifeguards and the effects of Act 170 following the end of each fiscal year; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1024, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1024, H.D. 1.

Signed by all members of the Committee except Representative Belatti.

SCRep. 766-14 Water & Land on H.B. No. 2552

The purpose of this measure is to assist with the resolution of user conflicts among commercial boat tours, fishers, and non-commercial users, including Native Hawaiians exercising gathering and subsistence rights, in Pohoiki Bay by directing the Department of Land and Natural Resources to conduct a study and report to the Legislature, and to establish and maintain a conservation enforcement officer position for the Pohoiki Bay area.

The Department of Land and Natural Resources and the Department of Budget and Finance submitted comments on this measure.

Your Committee has amended this measure by:

- (1) Directing the Department to also conduct a similar study to resolve user conflict at Keauhou Bay on Hawaii Island and report its results to the Legislature; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2552, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2552, H.D. 2.

Signed by all members of the Committee except Representative Fale.

SCRep. 767-14 Judiciary on H.B. No. 1639

The purpose of this measure is to clarify, for purposes of establishing the offense of unlicensed contractor fraud, that the "intent to deprive" another of their property may be formed before or after the person obtains or exerts control over the property.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs; Department of the Prosecuting Attorney of the County of Maui; Department of the Prosecuting Attorney of the City and County of Honolulu; Office of the Prosecuting Attorney of the County of Kauai; Office of the Prosecuting Attorney of the County of Hawaii; Contractors License Board; Hawaii Laborers' Union, Local 368; and the Subcontractors' Association testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1639, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1639, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Ito and Lee.

SCRep. 768-14 Judiciary on H.B. No. 1382

The purpose of this measure is to promote health and safety in ocean recreation by prohibiting any person from operating a jet ski at any speed above thirty miles per hour, except as designated by the Department of Land and Natural Resources and in accordance with a permit issued by the Department.

The Department of Land and Natural Resources opposed this measure.

Your Committee has amended this measure by:

- (1) Substituting "thrill craft" for "jet ski" to expand the speed limit restriction to a category of personal watercraft;
- (2) Exempting rescue workers, law enforcement, and persons operating a thrill craft for another engaged in tow-in surfing from the speed limitations; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1382, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1382, H.D. 1.

Signed by all members of the Committee except Representative Belatti.

SCRep. 769-14 Judiciary on H.B. No. 1570

The purpose of this measure is to extend the 48-hour period of separation when a police officer orders a person under suspicion of inflicting physical abuse or harm to leave the premises to 4:30 p.m. on the second business day following the weekend or legal holiday if the period of separation expires on any Saturday, Sunday, or legal holiday or if the incident occurs after 12:00 p.m. on any Friday, or on any Saturday, Sunday, or legal holiday.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, Department of the Prosecuting Attorney of the County of Maui, and Domestic Violence Action Center testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the calculation of the period of separation to commence when the order is issued and expire at 6:00 p.m. on the second business day following the day the order was issued;
- (2) Defining the term "business day" to include any calendar day, except Saturday, Sunday, or state holiday; and
- (3) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1570, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1570, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Ito and Lee.

SCRep. 770-14 Judiciary on H.B. No. 2034

The purpose of this measure is to provide survivors of sexual assault with additional time to engage with the legal system by eliminating the statute of limitations for criminal and civil actions arising from sexual assault in the first and second degrees and continuous sexual assault of a minor under the age of fourteen years.

The Hawaii State Commission on the Status of Women, Office of the Prosecuting Attorney for the County of Hawai'i, Hawaii State Democratic Women's Caucus, YWCA of O'ahu, Sex Abuse Treatment Center, Survivors Network of those Abused by Priests, Rainbow Family 808, and numerous concerned citizens testified in support of this measure. The Office of the Public Defender opposed this measure. The Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Limiting the removal of the statute of limitations in civil cases to actions against persons who perpetrated the act that constituted or would have constituted the criminal offense of sexual assault in the first or second degree or continuous sexual assault of a minor under the age of fourteen years; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2034, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2034, H.D. 2.

Signed by all members of the Committee except Representatives Creagan and Kawakami.

SCRep. 771-14 Consumer Protection & Commerce/Judiciary on H.B. No. 2401

The purpose of this measure is to encourage more transparency in the actions of condominium association boards of directors by increasing the enforcement powers of the Real Estate Commission and allowing the Real Estate Commission to recover attorneys' fees.

Numerous individuals testified in support of this measure. The Real Estate Commission and Community Associations Institute testified in opposition to this measure.

Your Committees have amended this measure by:

- (1) Ensuring board meetings, other than executive sessions, are open to all association members regardless of whether a majority of a quorum of the board votes otherwise;
- (2) Changing the effective date to July, 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2401, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2401, H.D. 2.

Signed by all members of the Committee except Representatives Belatti and McDermott.

SCRep. 772-14 Finance on H.B. No. 1604

The purpose of this measure is to encourage compliance with campaign finance laws by providing that certificates of election be delivered to the elected individual only after the elected individual has:

- (1) Filed required reports in accordance with sections 11-331 and 11-333, Hawaii Revised Statutes, rather than expense statements; and
- (2) Paid any fine assessed by the Campaign Spending Commission.

The Campaign Spending Commission and Common Cause Hawaii supported this measure. The League of Women Voters commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1604, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1604, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 773-14 Finance on H.B. No. 1647

The purpose of this measure is to continue to provide criminal justice services to the community by appropriating funds for grants-in-aids to the Department of the Prosecuting Attorney of the City and County of Honolulu for the Career Criminal Prosecution Unit, Victim Witness Assistance Program, Veterans Court, Drug Court, and Hawaii's Opportunity Probation with Enforcement Program.

The Crime Victim Compensation Commission; Office of Veterans Services; and the Department of the Prosecuting Attorney of the City and County of Honolulu testified in support of this measure.

Your Committee has amended this measure by:

- (1) Inserting unspecified amounts for all of the appropriations to encourage further discussion;
- (2) Changing the expending agency from the Department of the Prosecuting Attorney of the City and County of Honolulu to the Department of the Attorney General; and
- (3) Changing the effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1647, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1647, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 774-14 Finance on H.B. No. 1669

The purpose of this measure is to assist the Family Court of the First Circuit in meeting its exceptionally high caseload by appropriating funds to the Judiciary for hiring one judge and three support staff for the Family Court of the First Judicial Circuit.

The State of Hawaii Judiciary; Office of the Public Defender; Department of the Prosecuting Attorney of the City and County of Honolulu; Domestic Violence Action Center; and several concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation in an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1669, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1669, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 775-14 Finance on H.B. No. 2080

The purpose of this measure is to expand the offense of theft in the second degree to include the theft of computers that may be used to store or retrieve personal information.

The Department of the Prosecuting Attorney of the City and County of Honolulu testified in support of this measure. The Office of the Public Defender testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2080, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2080, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 776-14 Judiciary on H.B. No. 1796

The purpose of this measure is to promote the safety and well-being of students and school personnel by requiring the Board of Education and the Department of Education to establish policies and procedures for the use of restraint or seclusion in public schools in order to:

- (1) Ensure that school staff who might use restraint or seclusion are properly trained and certified;
- (2) Prevent or reduce the use of restraint or seclusion, and in the event their use becomes necessary, protect students from abusive application; and
- (3) Ensure that restraint or seclusion are used only when a student's behavior poses an imminent danger of physical injury to themselves or others.

The Department of Education; State Council on Developmental Disabilities; Special Education Advisory Council; Community Children's Council of Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and several concerned individuals testified in support of this bill. Several concerned individuals opposed this bill. The Hawaii Disability Rights Center, Easter Seals Hawaii, and a concerned individual provided comments on this bill.

Your Committee has amended this measure by:

- (1) Deleting "chemical restraint" from the definition of allowable restraints;
- (2) Adding an appropriation of an unspecified amount to provide resources for training and data accountability;
- (3) Changing its effective date to August 26, 2151, to facilitate discussion; and
- (4) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

It is not the intent of your Committee that the reasonable force provisions of sections 302A-__ and 703-309(2), Hawaii Revised Statutes, be construed as punishment.

Your Committee respectfully notes that there may be some ambiguity in this measure as to who shall be responsible for rules, procedures, notices, and data collection, and encourages further discussion on these matters as this measure progresses through the legislative process.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1796, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1796, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 777-14 Judiciary on H.B. No. 2262

The purpose of this measure is to authorize the Department of Health to disclose, pursuant to a written request and agreement, the names of all persons whose deaths have been recorded by the Department within a specified time period to state agencies that maintain official lists of persons in the ordinary course of the agency's activities and are prohibited by federal law from sharing information on the lists.

The Department of Health, Hawaii Employer-Union Health Benefits Trust Fund Board of Trustees, and Department of Human Services testified in support of this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Department of Health may disclose death information to state agencies as this bill provides notwithstanding section 338-18, Hawaii Revised Statutes, to eliminate any potential conflict between the two provisions; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2262, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2262, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 778-14 Judiciary on H.B. No. 2496

The purpose of this measure is to require that the member of the Hawaii Labor Relations Board representing labor be selected by the Governor from a list of three nominees submitted by the exclusive representative organizations.

The Hawaii Fire Fighters Association, Local 1463, IAFF, AFL-CIO; United Public Workers, AFSCME, Local 646, AFL-CIO; University of Hawaii Professional Assembly; and Hawaii State Teachers Association testified in support of this measure. The Department of the Attorney General and The Chamber of Commerce of Hawaii testified in opposition to this measure. The Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO provided comments.

Your Committee has amended this measure by:

- (1) Amending the procedure by which regular and acting members of the Hawaii Labor Relations Board are appointed to specify that:
 - (A) The representative of management shall be appointed by the Governor who shall first consider any names submitted by the counties;
 - (B) The representative of labor shall be appointed by the Governor from a list of three nominees submitted by mutual agreement of the exclusive representative organizations, but authorizing the Governor to appoint without being restricted to the list of nominees where the exclusive representative organizations provide less than three names; and
 - (C) The representative of the public shall be appointed by the Governor; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2496, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2496, H.D. 1.

Signed by all members of the Committee except Representatives Creagan and Kawakami.

SCRep. 779-14 Judiciary on H.B. No. 2621

The purpose of this measure is to require the Procurement Policy Board to adopt rules establishing:

- (1) Time limits to report issues concerning lost, stolen, damaged, unserviceable, or unsuitable property; and
- (2) A duty for government agencies and contractors to cooperate in the investigation of issues raised.

The Sierra Club of Hawaii testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2621, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2621, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 780-14 Consumer Protection & Commerce on H.B. No. 1814

The purpose of this measure is to:

- (1) Clarify that employers may pay wages by direct deposit under certain conditions;
- (2) Prohibit employers from paying wages due to employees by pay cards, debit cards, automated teller machine cards, or similar means of electronic payment cards under certain circumstances; and
- (3) Make employers responsible for any fees imposed by a financial institution for the employee's use of a pay card, debit card, automated

teller machine card, or similar means of electronic payment card.

The Department Of Labor and Industrial Relations, Office of Community Services, Department of Commerce and Consumer Affairs, Hawaii Laborers' Union, Sally Beauty Holdings, ILWU Local 142, and an individual testified in support of this measure. The Chamber of Commerce Hawaii, American Payroll Association, Hawaii Bankers Association, Hawaii Financial Services Association, and Visa testified in opposition of this measure. First Data and Seven-Eleven Hawaii, Inc. provided comments on this measure.

Your Committee has amended this measure by, among other things:

- (1) Adding definitions for "pay card" and "pay card account";
- (2) Removing references to debit and automated teller machine cards from the measure;
- (3) Specifying that an employer may pay wages due to the employer's employees by use of a pay card or similar means of electronic payment card under certain circumstances;
- (4) Amending the criteria that must be met to pay wages by use of a pay card or similar means of electronic payment card to include that:
 - (A) The employee has voluntarily authorized, in writing, the payment of wages using a pay card or other similar means of electronic payment card;
 - (B) The pay card issued to the employee must be a network branded pay card;
 - (C) The employee must have the ability to withdraw the employee's full net wages at least once per payroll period without incurring any costs or fees;
 - (D) The employer must assume or otherwise absorb any fees or costs imposed by a financial institution for certain services;
 - (E) None of the employer's costs associated with the pay card account may be passed on to its employees;
 - (F) The employer must ensure that the employee is provided liability protections against fraud associated with the use of an employer issued pay card or similar means of an electronic pay card; and
 - (G) The employer must provide an employee a written notice form specifying certain information when offering an employee the option of receiving wages using a pay card or similar means of an electronic payment card;
- (5) Specifying that the Money Transmitters Act shall not apply to the use of pay cards as a means of paying wages under certain circumstances;
- (6) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1814, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1814, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Har, Lee, Nakashima and Oshiro.

SCRep. 781-14 Consumer Protection & Commerce on H.B. No. 1664

The purpose of this measure is to protect public health and safety by restricting the storage and redistribution of fireworks to permanent and temporary fireworks storage facilities that comply with county building or fire codes, or nationally recognized standards.

An individual testified in support of this measure. The Department of Labor and Industrial Relations; Department of Fire and Public Safety, County of Maui; and Kauai Fire Department provided comments on this measure.

Your Committee has amended this measure by:

- (1) Amending section 132D-8, Hawaii Revised Statutes, instead of creating a new section to require that permanent and temporary fireworks storage buildings or structures and buildings or facilities where redistribution activities occur comply with currently adopted county building or fire codes or the latest edition of nationally recognized standards; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1664, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1664, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Har, Lee, Nakashima and Oshiro.

SCRep. 782-14 Consumer Protection & Commerce on H.B. No. 2304

The purpose of this measure is to enable the Neurotrauma Advisory Board to function more efficiently and effectively by, among other things:

- (1) Decreasing the minimum number of Board members from 21 to at least 11 to facilitate attaining quorum, while still maintaining representation from all advocacy and disability groups currently represented;
- (2) Establishing quorum requirements for the Board; and
- (3) Authorizing the Director of Health to appoint to the Board, up to three state and county representatives whose work relates to neurotrauma.

The Department of Health and American Heart Association testified in support of this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Board shall consist of exactly 11 members; and
- (2) Specifying that the Director of Health appoint one representative for persons who have suffered a stroke.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2304, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2304, H.D. 2.

Signed by all members of the Committee except Representatives Cachola, Har, Lee, Nakashima and Oshiro.

SCRep. 783-14 Consumer Protection & Commerce/Judiciary on H.B. No. 2361

The purpose of this measure is to prevent the counterfeiting of Hawaii's high quality coffee by extending the offense of false labeling of Hawaii-grown coffee to include:

- (1) Violations of established grade standard requirements; and
- (2) All stages of production.

The Office of the Prosecuting Attorney, County of Hawaii; Hawaii Coffee Association; Kona Coffee Council; Royal Kona Coffee Visitor Center Mill & Museum; Kau Coffee Mill; Hawaii Farm Bureau; Dole Waialua Coffee; and numerous individuals testified in support of this measure. Times Supermarket testified in opposition to this measure. The Department of Agriculture, Hawaii Coffee Growers Association, and an individual provided comments on this measure.

Your Committees have amended this measure by adopting the Department of Agriculture's amendments provided to your Committees, which, among other things:

- (1) Retain the listing of the specific types of coffee protected under the offense of false labeling of Hawaii-grown coffee and adds natural coffee to that list;
- (2) Extend the offense of false labeling of Hawaii-grown coffee to apply to the use of geographic origin in the labeling of roasted or instant coffee, if the green coffee beans used in the roasted or instant coffee do not meet the grade standard requirements of rules adopted pursuant to the State's grades and standards law; and
- (3) Make technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2361, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2361, H.D. 2.

Signed by all members of the Committee except Representatives Belatti and McDermott.

SCRep. 784-14 Judiciary on S.B. No. 60

The purpose of this measure is to increase the rights granted to victims and surviving immediate family members of crime by, upon written request:

- (1) Affording them the right to participate in restorative justice processes if no criminal charges are brought against a person or entity for the harm suffered by the victim, which would allow the victim and any accompanying loved ones to discuss and address how they were affected and how to repair the harm; and
- (2) Requiring the police or prosecutor to inform the victim or immediate surviving family members of this right.

The Community Alliance on Prisons and one concerned individual testified in support of this measure. The Department of the Prosecuting Attorney of the County of Maui and Office of the Prosecuting Attorney for the County of Kauai testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Clarifying that the right to participate in restorative justice processes applies to the victim's surviving immediate family members in addition to the victim; and
- (2) Making further technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 60, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 60, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Har and Ito.

SCRep. 785-14 Finance on H.B. No. 1651

The purpose of this measure is to require the collection of use taxes by sellers of tangible personal property who enter into agreements under which a person in the State refers potential purchasers to the seller, including by an internet link or web site, or performs related services in the State on behalf of the seller.

The Chamber of Commerce Hawaii and Walgreens Co. testified in support of this measure. An individual testified in opposition of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1651, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1651, H.D. 1.

Signed by all members of the Committee except Representatives Kobayashi and Tokioka.
(Representatives Fukumoto and Ward voted no.)

SCRep. 786-14 Finance on H.B. No. 2231

The purpose of this measure is to appropriate funds to satisfy claims against the State, its officers, or its employees for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities.

The Department of the Attorney General testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding a new judgment against the State pursuant to *Barnett v. State of Hawaii, et al.*, Civil No. 10-1-0236, Fifth Circuit, in the amount of \$41,511.54 to be paid from the general fund;
- (2) Adding a new judgment against the State pursuant to *In the Matter of the Arbitration Between Hawaii State Teachers Association and Na Wai Ola (Waters of Life) Public Charter School, State of Hawaii, Grievance of Ginger Krauss*, in the amount of \$44,951.43 to be paid from the general fund;
- (3) Adding a new settlement pursuant to *Louis, et al. v. State of Hawaii, et al.*, Civil No. 05-1-0935-05, First Circuit, in the amount of \$180,000 to be paid from the general fund;
- (4) Adding a new claim against the State for Marie-Gertrude N. Leopoldo in the amount of \$417 to be paid from the general fund;
- (5) Adding a new settlement pursuant to *Nakandakare, et al. v. State of Hawaii, et al.*, Civil No. 11-1-1740-08, First Circuit, in the amount of \$32,500 to be paid from the Department of Transportation, Highways Division; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2231, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2231, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 787-14 Finance on H.B. No. 2533

The purpose of this measure is to encourage fair elections by establishing a public funding program beginning for elections to the State House of Representatives, with the 2016 election.

This measure also repeals provisions under the existing partial public financing program specifically applicable to candidates for the Office of Governor, Lieutenant Governor, State Senator, and State Representative pertaining to campaign expenditure limits, maximum amounts of public funding,

and minimum amounts of qualifying contributions.

Progressive Democrats of Hawai'i, Common Cause Hawaii, Open Law Alliance, and several individuals provided testimony in support of this measure. Several individuals provided testimony in opposition to this measure. The Campaign Spending Commission, Voter Owned Hawaii, Americans for Democratic Action-Hawaii, League of Women Voters of Hawaii, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Appropriating an unspecified amount from the general fund to the Hawaii Election Campaign Fund;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2533, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2533, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 788-14 Finance on H.B. No. 748

The purpose of this measure 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 of the bonds to assist agricultural enterprises on any type of agricultural land.

The Department of Agriculture, Hawaii Farmers Union United, Land Use Research Foundation of Hawaii, Hawaii Cattlemen's Council, Hawaii Farm Bureau, Hawai'i Green Growth, Alexander & Baldwin, and Local Food Coalition provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by changing the specified effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 748, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 748, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 789-14 Finance on H.B. No. 737

The purpose of this measure is to provide the Hawaii Revised Statutes provisions necessary to implement the constitutional amendment that authorizes the State to issue special purpose revenue bonds and use bond proceeds to assist agricultural enterprises on any type of agricultural land.

The Department of Agriculture; Land Use Research Foundation; Hawaii Farm Bureau; Hawai'i Green Growth; Hawaii Cattlemen's Council; Alexander & Baldwin, Inc.; and Local Food Coalition provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 737, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 737, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 790-14 Finance on H.B. No. 1988

The purpose of this measure is to improve access to nutritious foods in public educational institutions and develop the agricultural workforce for the benefit of local farmers and consumers by:

- (1) Establishing a Hawaii Farm to School Program within the Department of Agriculture; and
- (2) Appropriating funds for a Farm to School coordinator position.

The Kohala Center, Hawai'i Island School Garden Network, Kokua Hawai'i Foundation, Farm to Keiki, Maui School Garden Network, and numerous individuals supported this measure. The Department of Agriculture, University of Hawaii at Manoa College of Tropical Agriculture and Human Resources, and Hawaii Farm Bureau commented on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1988, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1988, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 791-14 Finance on H.B. No. 1929

The purpose of this measure is to encourage the purchase of fresh produce at farmers' markets that are intended for human consumption within the State by exempting the sale from the general excise tax.

Hawaii Farmers Union United, Hawaii Farm Bureau, and a concerned individual testified in support of this measure. The Department of Agriculture, Department of the Attorney General, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1929, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1929, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 792-14 Finance on H.B. No. 1991

The purpose of this measure is to support local agriculture and the state economy by exempting from the Hawaii Public Procurement Code, the procurement of fresh meat and produce and animals and plants for use by governmental bodies.

The Department of Agriculture, Department of Public Safety, City and County of Honolulu Department of Budget and Fiscal Services, Hawaii Cattlemen's Council, Hawai'i Appleseed Center for Law and Economic Justice, and the Local Food Coalition supported this measure. The Hawaii Farm Bureau commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making a technical, nonsubstantive amendment for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1991, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1991, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 793-14 Finance on H.B. No. 2178

The purpose of this measure is to reduce the dependence on imported feed and ultimately reduce costs to local livestock producers by establishing a grant program in the Department of Agriculture to reimburse qualified feed developers for their incurred feed development costs.

The Hawaii Farm Bureau Federation, Hawaii Cattlemen's Council, and Ulupono Initiative testified in support of this measure. The Department of Agriculture and Land Use Research Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriations in unspecified amounts;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2178, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2178, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 794-14 Finance on H.B. No. 1070

The purpose of this measure is to require the University of Hawaii Board of Regents to complete annual training on regent fiduciary duties, Hawaii's Sunshine Law, and Hawaii's open records law, including procedures for the removal of a regent who fails to meet these requirements.

Two individuals testified in support of this measure. The University of Hawaii Board of Regents testified in opposition of this measure. The Office of Information Practices provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1070, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1070, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 795-14 Finance on H.B. No. 1545

The purpose of this measure is to clarify the programs and activities for which the Community Colleges Special Fund may be used, including for required reserves.

The University of Hawaii Community Colleges provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1545, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1545, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 796-14 Finance on H.B. No. 1754

The purpose of this measure is to encourage individuals to obtain employment and improve their employment opportunities by establishing a medicaid buy-in program for individuals with disabilities.

The Department of Health, State Council on Developmental Disabilities, Hawaii Disability Rights Center, Community Alliance for Mental Health, United Self Help, and two individuals provided testimony in support of this measure. The Department of Human Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation in an unspecified amount;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1754, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1754, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 797-14 Finance on H.B. No. 1974

The purpose of this measure is to adopt the recommendations made in the Office of the Auditor's Report No. 13-10, *A Report on Methodology for the Department of Labor and Industrial relations' Workers' Compensation Medical Fee Schedule*. Specifically, this measure:

- (1) Requires the Director of Labor and Industrial Relations to update the Workers' Compensation Medical Fee Schedule annually;
- (2) Enables the Director of Labor and Industrial Relations to establish a maximum allowable fee ceiling for workers' compensation medical fees that exceeds 110 percent of the fees prescribed in the Medicare Resource Based Relative Value Scale for Hawaii;
- (3) Requires the Director of Labor and Industrial Relations to analyze this measure's impact on workers' compensation claimants' access to appropriate treatment and appropriates \$150,000 to pay for the report due no later than before the 2019 Regular Session;

- (4) Appropriates \$72,600 for the Department of Labor and Industrial Relations to hire two full-time equivalent positions to implement this measure; and
- (5) Includes a five-year sunset date to provide sufficient time to assess the impact on costs and access to medical treatment for workers' compensation cases.

The Department of Labor and Industrial Relations, Office of the Auditor, Hawaii Medical Association, Work Injury Medical Association of Hawaii, ILWU Local 142, and two individuals provided testimony in support of this measure. The Hawaii Insurers Council; Hawaiian Electric Company, Inc.; Maui Electric Company, Ltd.; Hawaii Electric Light Company, Inc.; Chamber of Commerce of Hawaii; and Property Casualty Insurers Association of America provided testimony in opposition to this measure. The Department of Human Resources Development, City and County of Honolulu Department of Human Resources, Kaiser Permanente, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriations in an unspecified amount; and
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1974, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1974, H.D. 2.

Signed by all members of the Committee.

SCRep. 798-14 Finance on H.B. No. 1976

The purpose of this measure is to ensure that Hawaii's wage and hour law is strictly enforced on public construction projects by:

- (1) Establishing the Wage and Hour for Public Works Projects Special Fund (Special Fund) to fund enforcement activities on public construction projects by the Department of Labor and Industrial Relations (Department);
- (2) Requiring state departments receiving appropriations of capital improvement project funds to transfer a percentage of those appropriations into the Special Fund;
- (3) Specifying that expenditures for creating positions, hiring, and training personnel for enforcement purposes are allowable expenditures from the Special Fund;
- (4) Requiring the Department to provide to the Legislature an annual status report of the Special Fund; and
- (5) Establishing two full-time equivalent permanent Labor Law Enforcement Specialist IV positions within the Department to enforce Hawaii's wage and hour law and appropriating funds for the positions.

The Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Operating Engineers Industry Stabilization Fund; Hawaii Building and Construction Trades Council, AFL-CIO; Building Industry Association of Hawaii; Plumbers and Fitters United Association, Local 675; Pacific Resource Partnership; and Laborers' International Union of North America, Local 368 testified in support of this measure. The Department of Labor and Industrial Relations, Department of Accounting and General Services, General Contractors Association, and Hawaii Regional Council of Carpenters provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1976, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1976, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 799-14 Finance on H.B. No. 1958

The purpose of this measure is to add flexibility to the calculation of overtime compensation for government public work construction contracts greater than \$2,000 by providing that overtime compensation for laborers and mechanics, for work performed at a rate that is not specified in a collective bargaining agreement, shall be not less than one and one-half times the basic hourly rate of pay plus fringe benefits.

The Department of Labor and Industrial Relations, Hawaii Construction Alliance, and Hawaii Operating Engineers Industry Stabilization Fund testified in support of this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1958, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1958, H.D. 2.

Signed by all members of the Committee.

SCRep. 800-14 Finance on H.B. No. 1977

The purpose of this measure is to amend resolution procedures for an impasse in collective bargaining between a public employer and the exclusive representative of a bargaining unit by requiring that final positions submitted to arbitration include only proposals that are the subject of the impasse and granting the arbitration panel the authority to determine if final positions submitted comply with statutory requirements.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Fire Fighters Association; and United Public Workers, AFSCME Local 646, AFL-CIO provided testimony in support of this measure. The Department of the Attorney General, Department of Budget and Finance, Office of Collective Bargaining, Department of Education, City and County of Honolulu Department of Human Resources, and University of Hawaii provided testimony in opposition to this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2030, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1977, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1977, H.D. 2.

Signed by all members of the Committee.

SCRep. 801-14 Finance on H.B. No. 1667

The purpose of this measure is to recognize the sacrifices made by members of the armed services by exempting certain totally and permanently disabled veterans from having to pay annual motor vehicle registration fees on one of their noncommercial vehicles.

The State Adjutant General and Director of State Civil Defense; Office of Veterans Services; Mayor of the County of Maui; Chair of the County Council of the County of Maui; Advisory Board on Veterans' Services; Military Officers Association of America, Hawaii Chapter; Department of Hawaii, Veterans of Foreign Wars of the United States; and three concerned individuals testified in support of this measure. The Department of Transportation testified in opposition to this measure. The Department of Customer Services of the City and County of Honolulu and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1667, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1667, H.D. 3.

Signed by all members of the Committee except Representative Woodson.

SCRep. 802-14 Finance on H.B. No. 1771

The purpose of this measure is to appropriate \$600,000 for Fiscal Year 2014-2015 to support operational mission readiness activities of the Hawaii Wing of the Civil Air Patrol, including facilities maintenance and capital improvements not funded by the National Civil Air Patrol.

The State Adjutant General; Department of Transportation; Hawaii Wing Civil Air Patrol; National Association for Uniformed Services, Hawaii Chapter; and several individuals supported this measure.

Your Committee has amended this bill by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1771, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1771, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 803-14 Finance on H.B. No. 1894

The purpose of this measure is to enable the operation of car-sharing organizations, which represent a green transportation innovation that can significantly reduce miles travelled, oil imports, greenhouse gas emissions, and household transportation costs, in the State by creating a car-sharing vehicle surcharge tax.

The Office of Planning; Department of Planning and Permitting, City and County of Honolulu; Ulu pono Initiative; car2go; Hawaii Energy Policy Forum; and Pacific Resource Partnership testified in support of this measure. EAN Holdings, LLC testified in opposition to this measure. The Department of Transportation, Department of Taxation, Tax Foundation of Hawaii, and an individual provided comments on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1894, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1894, H.D. 2.

Signed by all members of the Committee except Representative Woodson.
(Representative Ward voted no.)

SCRep. 804-14 Finance on H.B. No. 1702

The purpose of this measure is to help tenants displaced by the Kapalama Container Terminal Project by:

- (1) Establishing a capital infrastructure tax credit available to displaced tenants, banks, and other financial institutions for costs of capital investments in state land incurred due to the displacement and providing for its application in the same manner as other similar credits; and
- (2) Reinstating the technology infrastructure renovation tax credit through 2019.

The Chamber of Commerce of Hawaii; Pacific Shipyards International; Navatek, Ltd.; and numerous individuals provided testimony in support of this measure. The Department of Taxation, Department of the Attorney General, Department of Transportation, and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the amount of the capital infrastructure tax credit cap an unspecified amount;
- (2) Deleting the provision reinstating the technology infrastructure tax credit through 2019;
- (3) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1702, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1702, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 805-14 Finance on H.B. No. 2426

The purpose of this measure is to prevent the introduction of new invasive species to the State by appropriating \$1,000,000 for Fiscal Year 2014-2015 for the planning, design, and construction of biosecurity facilities at harbors and airports throughout the State.

The Department of Transportation, Maui Invasive Species Committee, Oahu Invasive Species Committee, The Nature Conservancy, and Hawaii Farm Bureau Federation supported this measure. The Department of Land and Natural Resources, Department of Agriculture, Airlines Committee of Hawaii, The International Air Cargo Association, Commodity Forwarders Inc., Able Freight Services Inc., and US Airforwarders Association commented on this measure.

Your Committee has amended this bill by:

- (1) Changing the funding source of the appropriation from general funds to general obligation bonds;
- (2) Providing that the appropriation in this measure shall not lapse at the end of Fiscal Year 2014-2015, but rather that all unencumbered moneys from the appropriation shall lapse on June 30, 2016;
- (3) Making the appropriation in an unspecified amount; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of H.B. No. 2426, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2426, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 806-14 Finance on H.B. No. 1564

The purpose of this measure is to recognize the sacrifices made by the men and women of the armed forces of the United States and continue to honor their memory by properly maintaining the statewide network of veterans' cemeteries. Specifically, this measure requires the counties to obtain approval from the Office of Veterans' Services prior to any action that may negatively impact the State's ability to fulfill its obligation to establish and maintain veterans' cemeteries.

The Office of Veterans' Services; Advisory Board on Veterans' Services; Military Officers Association of America, Hawaii Chapter; and three concerned individuals testified in support of this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1564, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1564, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 807-14 Finance on H.B. No. 1772

The purpose of this measure is to increase access to quality health care for veterans of the United States Armed Services by exempting from the General Excise Tax, amounts received by a contractor of the Patient-Centered Community Care Program for costs associated with veterans' health care provided outside of the Veterans Affairs system pursuant to a contract with the United States.

The Military Officers Association of America, Hawaii Chapter, and TriWest Healthcare Alliance Inc. supported this measure. The Department of Taxation and the Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by making technical amendments including to accurately reflect the federal law that established the Patient-Centered Community Care Program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1772, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1772, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 808-14 Judiciary on H.B. No. 2242

The purpose of this measure is to update the offenses of:

- (1) Falsifying business records;
- (2) Obtaining a government-issued identification document under false pretenses;
- (3) Tampering with a government record; and
- (4) Unsworn falsification to authorities, to capture the use of new technologies and make those offenses applicable to electronic versions of those statements, documents, or records.

The Department of the Attorney General testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2242, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2242, H.D. 1.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 809-14 Consumer Protection & Commerce on H.B. No. 1830

The purpose of this measure is to make real estate arbitration awards that determine fair market value, fair market rent, and fair and reasonable rent, a matter of public record regardless of any agreement among the parties or the arbitrator.

Citizens for Fair Valuation; Pacific Jobbers Warehouse, Inc.; JN Group, Inc.; Kapolei Medical Park; Paradise Park, Inc.; Waiakamilo Shopping Center; Waialae Plaza; and three individuals testified in support of this measure. The Land Use Research Foundation of Hawaii testified in opposition to the measure.

Your Committee notes that the current confidentiality process in real estate arbitration awards allows appraisers, attorneys, and lessors to retain important data while shielding the information from lessees. Accordingly, the process places lessees at a disadvantage by preventing them from researching and determining whether a lessor is truly offering "fair market rent." Your Committee finds that requiring various fair market arbitration awards to be publicly recorded with the Bureau of Conveyances will promote openness and transparency in real estate contracts by allowing all parties to negotiate with the same information.

Your Committee has amended this measure by changing the effective date to July 1, 2012, to encourage further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1830, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1830, H.D. 2.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 810-14 Consumer Protection & Commerce on H.B. No. 2459

The purpose of this measure is to support the safe and effective delivery of anesthesia and sedation by dentists by requiring any dentist who prescribes or administers general anesthesia, intravenous-conscious sedation, or conscious sedation to:

- (1) Meet licensure requirements and possess written authorization from the Board of Dental Examiners to administer anesthesia or sedation; and
- (2) Possess site certification from the Board of Dental Examiners for any place of practice or dental facility where anesthesia or sedation are prescribed or administered.

This measure also requires the Board of Dental Examiners to adopt rules dealing with the implementation of written authorizations and site requirements.

The Hawaii Dental Association testified in opposition to this measure. The Board of Dental Examiners provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Board of Dental Examiners to determine whether written authorizations to administer general anesthesia, intravenous-conscious sedation, or conscious sedation are necessary;
- (2) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2459, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2459, H.D. 2.

Signed by all members of the Committee except Representatives Evans, Har, Lee and Oshiro.

SCRep. 811-14 Consumer Protection & Commerce on H.B. No. 1880

The purpose of this measure is to increase access to medical care by conforming the definition of "podiatric medicine" to national standards regarding diagnosis and treatment of the foot and ankle thereby broadening the allowable scope of practice for podiatrists.

The Hawaii Podiatric Medical Association, American Podiatric Medical Association, and numerous individuals testified in support of this measure. The Hawaii Medical Association testified in support of this measure with amendments. The Hawaii Medical Board provided comments on this measure.

Your Committee has amended this measure by:

- (1) Allowing a podiatric physician to perform ankle fracture surgery if the podiatric physician is board qualified or board certified in reconstructive rearfoot ankle surgery by the American Board of Podiatric Surgery and has completed a 36-month podiatric surgical residency; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1880, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1880, H.D. 2.

Signed by all members of the Committee except Representatives Evans, Har, Lee and Oshiro.

SCRep. 812-14 Consumer Protection & Commerce on H.B. No. 1882

The purpose of this measure is to update the podiatry licensure standards by requiring completion of a minimum 24-month accredited podiatric residency, as approved by the Council on Podiatric Medical Education, prior to application for licensure.

The Hawaii Podiatric Medical Association and numerous individuals testified in support of this measure. The Hawaii Medical Board and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that an applicant for a license to practice podiatric medicine who graduated from an approved college before January 1, 2004, may qualify for Hawaii licensure based on a 12-month residency and 10 years of licensed work experience; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1882, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1882, H.D. 2.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 813-14 Consumer Protection & Commerce on H.B. No. 2142

The purpose of this measure is to repeal the requirement that private colleges and universities show annual profitability as a demonstration of financial integrity.

This measure also repeals a superfluous provision relating to the handling of complaints against institutions of higher education.

The Department of Commerce and Consumer Affairs and the University of Hawaii System submitted testimony in support of this measure. One individual submitted testimony in opposition of this measure.

Your Committee finds that the failure of an institution of higher education to show annual profitability does not demonstrate a lack of financial integrity because a school may incur a financial loss while maintaining positive equity. Removing the profitability requirement will provide schools with greater flexibility to execute business and expansion plans and increased access to favorable financing.

Your Committee notes that section 305J-17, Hawaii Revised Statutes, enacted by Act 180, Session Laws of Hawaii 2013, provides complaints procedures against post-secondary educational institutions, which includes the University of Hawaii. Consequently, the provisions in section 304A-3153, Hawaii Revised Statutes, are duplicative and unnecessary. Accordingly, your Committee finds that it is appropriate to repeal section 304A-3153, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2142 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola, Har, Lee, Nakashima and Oshiro.

SCRep. 814-14 Consumer Protection & Commerce on H.B. No. 2002

The purpose of this measure is to authorize the use of a master certificate of title for common interest communities, which will permit certificates of title for individual units to incorporate by reference the encumbrances on the master certificate of title.

The Department of Land and Natural Resources and one individual testified in support of the measure.

Your Committee finds that under the current Land Court system, any amendment to the documents governing a condominium or planned community must be noted on the certificate of title for each unit. Your Committee believes that this measure will simplify and streamline the operation of the Land Court by eliminating the need to change the certificate of title for each individual unit to reflect any changes in the encumbrances of general application to the condominium or planned community.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2002 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 815-14 Consumer Protection & Commerce on H.B. No. 2252

The purpose of this measure is to ensure that gas tankless, on-demand water heaters meet appropriate performance requirements, with regard to new single-family residential construction.

More specifically, this measure amends section 196-6.5(a), Hawaii Revised Statutes, by requiring that gas tankless, on-demand water heaters be certified by a North American certification organization, rather than Underwriters Laboratories, Inc.

The Department of Business, Economic Development, and Tourism testified in support of this measure.

Your Committee finds that section 196-6.5(a), Hawaii Revised Statutes, requires all new single-family dwellings, built on or after January 1, 2010, to include a solar water heating system, unless a variance is approved. One of the reasons a variance might be approved is if the dwelling were equipped with a properly certified gas tankless, on-demand water heater. Under current law, such a water heater must be certified by Underwriters Laboratories, Inc. This measure deletes reference to Underwriters Laboratories, Inc., and requires that a gas tankless, on-demand water heater be certified by a North American certification organization, including the Canadian Standards Association International, the Air-Conditioning, Heating, and Refrigeration Institute, and Gas Appliance Manufacturers Association. Your Committee believes that this will improve the accuracy of the variance application system and result in greater safety for consumers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2252 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 816-14 Consumer Protection & Commerce on H.B. No. 2099

The purpose of this measure amends various sections of the Hawaii Revised Statutes to add advanced practice registered nurses to specified health care providers, including physicians or physician assistants, who are authorized to certify certain medical conditions or related matter and are protected from certain unfair insurer practices.

Your Committee received testimony in support of this measure from the Board of Nursing, two individuals from the Hawaii State Center for Nursing, Healthcare Association of Hawaii, and five individuals. Comments on the measure were received from the Disability and Communication Access Board.

Your Committee finds that this measure will enable advanced practice registered nurses to practice their profession to the full extent of their training and education, particularly with regard to their global signature authority, which authorizes them to sign, certify, or endorse all documents relating to health care within their scope of practice provided for their patients.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2099, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 817-14 Consumer Protection & Commerce on H.B. No. 1938

The purpose of this measure is to specify that certain petroleum product measurement standards adopted by the State shall be the current standards as published by the American Society for Testing and Materials (ASTM) and the Society of Automotive Engineers (SAE).

Your Committee received testimony in support of this measure from the Chevron Products Company. Your Committee received comments on this measure from the Department of Agriculture and the Department of Business, Economic Development, and Tourism.

Your Committee finds this measure will ensure the Department of Agriculture and fuel refineries will use consistent standards regarding fuel specifications.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1938 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Lee.

SCRep. 818-14 Judiciary on H.B. No. 1579

The purpose of this measure is to streamline the process for recording money judgments, orders, or decrees by clarifying that money judgments, orders, and decrees are valid encumbrances against real property if they have been properly recorded in the Bureau of Conveyances.

The Collection Law Section of the Hawaii Bar Association, Hawaii Council of Associations of Apartment Owners, A R Recovery Solutions of Hawaii, MEDCAH, and two concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1579 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.

SCRep. 819-14 Judiciary on H.B. No. 2482

The purpose of this measure is to make technical, nonsubstantive amendments to the State's condominium law for the purposes of clarity and consistency.

The Hawaii State Association of Parliamentarians supported this measure.

While this measure merits further discussion, your Committee has concerns that some of the "technical" amendments it proposes may be substantive. This measure may also require further technical amendments as it proceeds through the legislative process.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2482, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Lee and Nakashima.

SCRep. 820-14 Judiciary on H.B. No. 1975

The purpose of this measure is to provide certain agencies with the ability to access national criminal history record information as well as state conviction information by:

- (1) Authorizing criminal history record checks by the counties on prospective employees who:
 - (A) Work with children in community-based programs; or
 - (B) Work in fire department or emergency medical services positions that involve contact with vulnerable adults;
- (2) Authorizing criminal history record checks by the State and counties on employees, prospective employees, volunteers, and contractors whose positions require unescorted access to secured areas and equipment related to a traffic management center;
- (3) Authorizing criminal history record checks by the counties on individuals involved in an agency's information technology operation whose position provides them access to sensitive or confidential information; and
- (4) Expressly allowing counties unrestricted inquiry into the criminal history of prospective employees for positions involving the handling of firearms for other than law enforcement purposes, by exempting the counties from the restrictions that:
 - (A) These inquiries may only take place after the individual has received a conditional job offer; and
 - (B) The inquiries must be limited to the most recent ten-year period.

The Department of Human Resources of the City and County of Honolulu and Honolulu Police Department testified in support of this measure. The Department of Human Resources Development, Department of Transportation, and Hawai'i Civil Rights Commission provided comments on this measure.

It is the intent of this Committee that the amendments made to section 846-2.7, Hawaii Revised Statutes, by this measure be retained when that section, as amended pursuant to Act 93, Session Laws of Hawaii 2012, goes into effect on July 1, 2014.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1975, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 821-14 Judiciary on H.B. No. 1907

The purpose of this measure is to authorize the Department of Land and Natural Resources to provide a lifetime hunting license at a significantly discounted rate to qualified disabled veterans.

The State Office of Veterans Services, Department of Land and Natural Resources, Hawaii County Game Management Advisory Commission, Hawaii Rifle Association, and two concerned individuals testified in support of this bill.

Your Committee notes the request of the Director of the State Office of Veterans Services that this measure be amended to extend the opportunity to obtain a lifetime hunting license to veterans with a service-connected disability, as defined by the Veterans Benefits Administration, of ten percent or higher and to remove the loss of lower extremities from the eligibility criteria. Your Committee encourages further consideration of this request as this measure proceeds through the Legislature.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1907, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 822-14 Judiciary on H.B. No. 2577

The purpose of this measure is to prohibit smoking anywhere in a public housing project, except in a designated smoking area not less than 20 feet from any building or common area, by:

- (1) Requiring any lease, rental agreement, permit, or license to have a provision that prohibits smoking by tenants and guests anywhere in the public housing project;

- (2) Making the violation of the smoking prohibition grounds for termination and eviction; and
- (3) Requiring the Authority to adopt rules for the administration of the prohibition on smoking.

The Department of Health, Coalition for a Tobacco-Free Hawaii, and several concerned individuals testified in support of this measure. The Hawaii Chapter of the Community Associations Institute testified in opposition to this measure. Hawaii Public Housing Authority provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requiring that the designated smoking areas, if any, be located no less than 25 feet from any building, instead of not less than 20 feet from any building or common area; and
- (2) Making the Hawaii Public Housing Authority's rulemaking authority permissive instead of mandatory.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2577, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2577, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.
(Representative McDermott voted no.)

SCRep. 823-14 Judiciary on H.B. No. 1509

The purpose of this measure is to make the use of a mobile electronic device while operating a motor vehicle a traffic infraction subject to a fine of not less than \$250.

The Department of Transportation Services of the City and County of Honolulu supported this bill. The Department of Transportation and Judiciary submitted comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1509, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 824-14 Judiciary on H.B. No. 1504

The purpose of this measure is to:

- (1) Clarify that all child support orders are presumed to apply on a per child basis;
- (2) Specify that a child support order shall automatically terminate when the obligee is no longer eligible to receive child support payments as to the particular child; and
- (3) Amends the existing statutory process to request suspension, termination, or modification of a child support order to account for the foregoing automatic termination provisions.

Several concerned individuals testified in support of this measure. A concerned individual testified in opposition to this measure. The Department of the Attorney General provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting language specifying the automatic termination of a child support order when an obligee is no longer eligible to receive child support payments for a particular child;
- (2) Deleting the amendment relating to requests for the suspension, termination, or modification of a child support order; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1504, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1504, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.

SCRep. 825-14 Judiciary on H.B. No. 2163

The purpose of this measure is to require that the court, when awarding child custody, also consider frequent, continuing, and meaningful contact with each parent unless one or both parents are unable to act in that child's best interest.

Several concerned individuals provided testimony in support of this measure. A concerned individual testified in opposition to this measure. The Family Law Section of the Hawaii State Bar Association and two concerned individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the purpose section; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2163, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2163, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.

SCRep. 826-14 Judiciary on H.B. No. 2183

The purpose of this measure is to make it unlawful for any person to import, sell, offer to sell, or possess with intent to sell any ivory product and to establish the Department of Land and Natural Resources as the enforcing agency.

The Office of the Prosecuting Attorney of the County of Kauai, The Humane Society of the United States – Humane Society International, Natural Resources Defense Council, Born Free USA, Animal Rights Hawaii, and a multitude of concerned individuals testified in support of this measure. Numerous concerned individuals testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Removing the Department of Land and Natural Resources as the enforcing agency and making conforming amendments throughout the bill, including deleting attendant enforcement and rulemaking authority, and the administrative penalty scheme;
- (2) Placing the proposed chapter into the Hawaii Penal Code to establish the offense of Unlawful Sale or Trade of Ivory Products;
- (3) Clarifying that the definition of "ivory product" applies to the raw or worked ivory teeth or tusks of a specified list of wildlife species regardless of the age of the ivory;
- (4) Adding a definition of "person" that includes businesses or corporate entities;
- (5) Removing the presumption that the possession of ivory products in a retail or wholesale outlet is evidence of possession with intent to sell;
- (6) Clarifying that the criminal remedy is not intended to prohibit or impair any civil or administrative process or penalty available under law or equity; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2183, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2183, H.D. 1.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima, Wooley and McDermott.

SCRep. 827-14 Judiciary on H.B. No. 2244

The purpose of this measure is to provide the public with greater donor protections and improve the State's oversight of charitable activities by, among other things:

- (1) Clarifying existing registration requirements for public benefit corporations and charitable organizations;
- (2) Requiring the conspicuous disclosure of specified information by for-profit and non-profit organizations at collection bins for contributed items;
- (3) Establishing a fine of \$20 for each day that a required financial report is not filed by a professional solicitor; provided that the total fines imposed do not exceed \$1,000;
- (4) Requiring the professional solicitor to provide a copy of the financial report to the charitable organization to which the financial report pertains within 10 days of the professional solicitor's submission of the report to the Attorney General;
- (5) Allowing the Attorney General to take certain actions against and penalize commercial co-venturers that engage in prohibited conduct;
- (6) Eliminating the annual filing fee for charitable organizations that receive less than \$25,000 in total gross revenues per year; and
- (7) Allowing the Attorney General to require that certain filings by charitable organizations be made electronically.

The Department of the Attorney General supported this bill.

Your Committee has amended this bill by:

- (1) Amending and clarifying the requirements for the conspicuous disclosure of information at collection bins owned and operated by charitable organizations, professional solicitors, and for-profit organizations;
- (2) Raising to \$100 the initial fine for a professional solicitor's failure to file the required financial report and imposing an additional fine of \$20 for each day during which the violation continues; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2244, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2244, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 828-14 Judiciary on H.B. No. 2245

The purpose of this measure is to strengthen the protection of charitable assets in Hawaii by expanding the authority of the Attorney General to prevent, remedy, and investigate the misuse of charitable assets or a breach of fiduciary or other legal duty regarding charitable assets.

The Department of the Attorney General and Commission to Promote Uniform Legislation supported this bill.

Your Committee has amended this bill by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2245, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2245, H.D. 1.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 829-14 Judiciary on H.B. No. 2333

The purpose of this measure is to strengthen the statewide integrated sex offender treatment program by employing a best practices philosophy in providing a continuum of programs under the comprehensive statewide master plan and by requiring the development and implementation of standards and guidelines for the assessment, evaluation, treatment, and supervision of sex offenders.

The Department of Public Safety and a few concerned individuals supported this bill. The Office of Information Practices submitted comments.

Your Committee has amended this bill by:

- (1) Specifying that the statewide, integrated program for the treatment of sex offenders applies only to adult offenders;
- (2) Deleting provisions that exempted the statewide integrated sex offender treatment program from certain public-meetings requirements pursuant to part I of Chapter 92, Hawaii Revised Statutes; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2333, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2333, H.D. 2.

Signed by all members of the Committee except Representatives Har, Lee and Nakashima.

SCRep. 830-14 Energy & Environmental Protection/Water & Land on H.B. No. 2203

The purpose of this measure is to permit solar energy facilities on agricultural lands classified under the Land Study Bureau's Overall Productivity Ratings as class B and C; provided that a special use permit is obtained, the area occupied by the solar energy facilities is made available for compatible agricultural activities at a lease rate that is at least 50% below fair market value, and the facilities are removed within 12 months after operations end.

Hawaii Farm Bureau; Tin Roof Ranch; First Wind Solar Group; and an individual testified in support of this measure. The Office of Planning; Department of Business, Economic Development, and Tourism; Department of Agriculture; Blue Planet Foundation; and Hawaii Renewable Energy Alliance commented on this measure.

Your Committees have amended this measure by:

- (1) Changing the effective date to January 1, 2030, to encourage further discussion; and

- (2) Clarifying the preamble to accurately reflect the State's reliance on fossil fuels, based on updated information requested by your Committees.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2203, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as H.B. No. 2203, H.D. 2.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 831-14 Judiciary on H.B. No. 2243

The purpose of this measure is to protect vulnerable populations such as children, the elderly, and disabled individuals from abuse by service providers or caregivers by:

- (1) Allowing qualified nongovernmental entities to request state and national fingerprint-based criminal history record checks on applicants, employees, and volunteers who provide care to vulnerable populations, and to receive the results directly; and
- (2) Permitting agencies and other entities currently authorized to conduct background checks on applicants and employees to also conduct background checks on volunteers and potential volunteers.

The Department of the Attorney General and Department of Human Services provided testimony in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2243, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2243, H.D. 1.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Wooley and Thielen.

SCRep. 832-14 Judiciary on H.B. No. 1723

The purpose of this measure is to:

- (1) Amend the notice requirements for the discharge of patients involuntarily committed pursuant to a civil or criminal proceeding under chapters 704 and 706, Hawaii Revised Statutes; and
- (2) Where there is objection to discharge by an authorized person, require the Family Court to conduct a timely hearing prior to the termination of a standing commitment order.

The Department of Health; The Queen's Health Systems; Healthcare Association of Hawaii; Hawaii Health Systems Corporation; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; and one concerned individual testified in support of this measure.

Your Committee has amended this measure by making the effective date January 1, 2100.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1723, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1723, H.D. 2.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 833-14 Judiciary on H.B. No. 2052

The purpose of this measure is to increase access to physician orders for life-sustaining treatment by, among other things:

- (1) Authorizing advanced practice registered nurses to sign such orders;
- (2) Updating the name of such orders to provider orders for life-sustaining treatment (POLST) and making other statutory references to reflect the inclusion of other healthcare providers;
- (3) Correcting inconsistencies in terms used to describe who may sign a POLST on behalf of a patient; and
- (4) Requiring the Department of Health to develop and adopt a sample POLST form.

The Executive Office on Aging, Maui County Office on Aging, Hawaii Pacific Health, Hawaii Association of Health Plans, Hawaii Medical Service Association, American Medical Response, Healthcare Association of Hawaii, American Organization of Nurse Executives, Hawaii State Center for Nursing, and numerous concerned individuals testified in support of this measure. The Queen's Health Systems, Kokua Mau, Hospice Hawaii, and several concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that to be validly executed a POLST form must always be signed by a patient's provider;
- (2) Specifying that a legally authorized representative may execute a POLST regardless of the patient's capacity and only if authority to do so is designated by the patient;
- (3) Requiring that the Department of Health adopt as opposed to develop a sample form; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2052, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2052, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee and Nakashima.

SCRep. 834-14 Finance on H.B. No. 1184

The purpose of this measure is to require the Department of Agriculture to develop a Food Sustainability Standard to promote local food production to help diversify the local economy, and to appropriate funds for that purpose.

Hawaii Farm Bureau Federation; League of Women Voters of Hawaii; Sierra Club of Hawaii; and two concerned individuals testified in support of this measure. Land Use Research Foundation of Hawaii testified in opposition to this measure. The Department of Agriculture and the Office of Planning commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1184, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1184, H.D. 2.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 835-14 Finance on H.B. No. 1514

The purpose of this measure, as received by your Committee, is to appropriate moneys for the control of and mitigation of damages by the coffee berry borer.

For the purposes of a public hearing on this bill, your Committee circulated Proposed H.B. No. 1514, H.D.1 (Proposed Draft) and notified the public that it would be accepting testimony on the Proposed Draft, which:

- (1) Appropriates moneys for mitigation of and education relating to the coffee berry borer; and
- (2) Establishes a pesticide subsidy program for the purchase of pesticides containing *Beauveria bassiana* to combat the coffee berry borer.

The Department of Agriculture, University of Hawai'i System, Hawai'i Farm Bureau, Hawaii Farmers Union United, Hawaii Coffee Growers Association, Maui Coffee Association, Hawaii Coffee Association, Kona Coffee Farmers Association, Kona Coffee Council, Royal Kona Coffee Visitor Center Mill & Museum, Kona Joe Coffee, Kanalani Ohana Farm, Kau Farms Management, Edmund C. Olson Trust II, Farm Lovers Farmers Markets, and a concerned individual supported the Proposed Draft. The Department of Land and Natural Resources provided comments on the Proposed Draft.

Your Committee considered the merits of both H.B. No. 1514, as received by your Committee, and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Making the appropriation in an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to facilitate discussion;
- (3) Changing the lapsing date in section 3 to June 30, 2016; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1514, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1514, H.D. 1.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 836-14 Finance on H.B. No. 1726

The purpose of this measure is to treat real estate investment trusts and income derived from such trusts in the same manner as other corporate taxpayers and income by amending the corporation income tax to tax real estate investment trusts without regard to the federal deduction for dividends paid.

The Hawai'i Appleseed Center for Law and Economic Justice testified in support of this measure. The National Association of Real Estate Investment Trusts, Inc., and Taubman Centers testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1726, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1726, H.D. 2.

Signed by all members of the Committee.

SCRep. 837-14 Finance on H.B. No. 1950

The purpose of this measure is to help reduce the State's dependency on foreign oil by allowing seawater air conditioning cooling systems within certain areas or districts to benefit from the State's Enterprise Zones Program.

Honolulu Seawater Air Conditioning, LLC; Ulupono Initiative; and The Chamber of Commerce of Hawaii testified in support of this measure. The Department of Business, Economic Development, and Tourism testified in opposition to this measure. The Department of Taxation and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1950, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1950, H.D. 2.

Signed by all members of the Committee.

SCRep. 838-14 Finance on H.B. No. 2018

The purpose of this measure is to modernize Hawaii's Time Share Law by:

- (1) Eliminating the requirement that a manager of a foreign time share plan register in Hawaii as a time share plan manager;
- (2) Requiring the disclosure statement for an offering of a time share plan to the public to disclose that the manager of a foreign time share plan is not registered in Hawaii;
- (3) Recognizing that an association of time share owners may be any kind of nonprofit or not-for-profit entity; and
- (4) Making housekeeping amendments.

American Resort Development Association Hawaii, Starwood Vacation Ownership, and Wyndham Vacation Ownership testified in support of this measure. The Department of Commerce and Consumer Affairs commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2018, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2018, H.D. 2.

Signed by all members of the Committee.

SCRep. 839-14 Finance on H.B. No. 2019

The purpose of this measure is to:

- (1) Permit prospective purchasers of time share interests to receive printed or electronic copies of the disclosure statement for the time share plan; and
- (2) Amend the renewal process for time share registrations by:
 - (A) Requiring that developers include in an application for renewal of a developer registration, among other information and renewal fees, the total number of registered time share interests in each unit and the total number of registered points in each property;
 - (B) Eliminating the requirement that developers provide title insurance and title reports; and
 - (C) Eliminating the requirement that developers file a financial statement with each renewal.

Wyndham Vacation Ownership and Starwood Vacation Ownership testified in support of this measure. The Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division and ARDA Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2019, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2019, H.D. 2.

Signed by all members of the Committee.

SCRep. 840-14 Finance on H.B. No. 2581

The purpose of this measure is to explore innovative options to promote universal health care coverage and ensure State compliance with the Patient Protection and Affordable Care Act (PPACA).

Specifically, the measure establishes a state innovation waiver task force to:

- (1) Examine the feasibility of alternatives to certain health reforms in the PPACA; and
- (2) Develop a plan for applying for a state innovation waiver that meets the requirements of the PPACA.

The Office of Healthcare Transformation, Department of Commerce and Consumer Affairs, Hawaii Medical Service Association, and the Chamber of Commerce Hawaii provided testimony in support of this measure.

Your Committee finds that the PPACA permits states to seek waivers from certain federal health reform requirements in order to enact their own innovative solutions for health care delivery that are equally affordable and comprehensive. Your Committee further finds that the state innovation waiver task force, consisting of public and private stakeholders, should be created to determine the feasibility of innovative approaches to delivering health care in Hawaii's unique health insurance market and to prepare a draft application for a state innovation waiver.

Your Committee has amended this measure by:

- (1) Adding the Chief Information Officer of the Office of Information Management and Technology and a representative of The Chamber of Commerce Hawaii to the state innovation waiver task force; and
- (2) Directing the task force to submit an interim report to the Legislature prior to the Regular Session of 2015 that includes:
 - (A) Identification of opportunities for state agencies to collaborate on new information technology that advances the goals of the PPACA and state innovation; and
 - (B) Recommendations on the allocation of existing moneys available for health reform and innovation, including any proposed legislation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2581, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2581, H.D. 3.

Signed by all members of the Committee except Representative Woodson.

SCRep. 841-14 Finance on H.B. No. 14

The purpose of this measure is to improve early childhood education in the State by:

- (1) Requiring school attendance for five-year-old children, thereby making kindergarten attendance mandatory;
- (2) Requiring the Department of Education, in collaboration with the Executive Office on Early Learning, to develop a statewide individualized kindergarten readiness system to collect information and data available through individualized kindergarten readiness assessments, and appropriating funds for this purpose; and
- (3) Beginning with the 2015-2016 school year, requiring all Department of Education and charter school kindergarten classes to adopt the statewide individualized kindergarten readiness system, provided that parents may exempt their children from the system.

The Executive Office on Early Learning; Department of Education; Hawai'i P-20; The Chamber of Commerce of Hawaii; Hawaii State Teachers Association; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii State AFL-CIO; University of Hawai'i at Manoa College of Education; Good Beginnings Alliance; Hui for Excellence in Education; IMUAlliance; and numerous individuals supported this measure. The Department of Human Services and Special Education Advisory Council commented on this measure. An individual opposed this measure.

Your Committee has amended this bill by:

- (1) Making the appropriation in an unspecified amount;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 14, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 14, H.D. 2.

Signed by all members of the Committee.

SCRep. 842-14 Finance on H.B. No. 1675

The purpose of this measure is to improve public education by:

- (1) Eliminating the requirement that all public schools, except charter and multi-track public schools implement a school year of 180 days, which must include 1,080 student instructional hours for elementary and secondary school grades, for the 2016-2018 school years;
- (2) Requiring instead that all public secondary schools, except charter and multi-track public schools, implement a school year that includes 990 student instructional hours, beginning with the 2014-2015 school year; and
- (3) Allowing the Board of Education to define "student instructional hours."

The Department of Education provided testimony in support of this measure. The Hawaii State Teachers Association, Hui for Excellence in Education, and numerous individuals provided testimony in opposition to this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; IMUAlliance; and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1675, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1675, H.D. 1.

Signed by all members of the Committee.

SCRep. 843-14 Finance on H.B. No. 1745

The purpose of this measure is to improve the law governing public charter schools by, among other things:

- (1) Authorizing the State Public Charter School Commission to assess fees on non-state entities and individuals to help cover its operating costs;
- (2) Requiring that a charter applicant comply with pre-opening criteria set by the charter school authorizer before becoming an entity of the State, by entering into and executing a charter contract to open a school;

- (3) Providing that an approved charter applicant that fails to satisfactorily meet the pre-opening criteria and enter into a charter contract or withdraws its application will be required to reapply and have its charter application approved by a charter school authorizer;
- (4) Specifying that legislatively appropriated funding for the State Public Charter School Commission be independent of funding for charter schools;
- (5) Allowing charter school authorizers to make and execute contracts with respect to the Public Charter Schools Law;
- (6) Amending annual reporting requirements for charter school authorizers and the Board of Education;
- (7) Amending requirements for service on a governing board, for the conduct of meetings by a governing board, and for notice of meetings by a governing board;
- (8) Repealing the authorization for the formation of a conversion charter school by an existing Hawaiian language immersion program;
- (9) Providing for the reconstitution of governing boards of charter schools under exigent circumstances;
- (10) Allowing charter school authorizers to direct a governing board and charter school to take appropriate action to immediately address serious health and safety issues that may exist at a charter school; and
- (11) Making various technical and conforming amendments to the Public Charter Schools Law.

The State Public Charter School Commission, Ho‘okāko‘o Corporation, Kualapuu School Public Conversion Charter, and the Hawaii Public Charter Schools Network supported this measure. The Department of Budget and Finance, Laupahoehoe Community Public Charter School, SEEQS, and an individual commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1745, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1745, H.D. 2.

Signed by all members of the Committee.

SCRep. 844-14 Finance on H.B. No. 2008

The purpose of this measure is to encourage youth in Hawaii to pursue agricultural careers by appropriating funds for the implementation and operation of the Future Farmers of America Program.

The Department of Agriculture; Department of Education; Local Food Coalition; Land Use Research Foundation of Hawaii; Hawaii Farm Bureau; and Hawaii Cattlemen's Council testified in support of this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation in an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2008, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2008, H.D. 1.

Signed by all members of the Committee except Representatives Ing and Ward.

SCRep. 845-14 Finance on H.B. No. 2109

The purpose of this measure is to improve the physical health of Hawaii's elementary-school students by establishing and funding an evidence-based physical-activity and nutritional-education program within the A+ program.

The Nutrition and Physical Activity Coalition of Maui County, YMCA of Honolulu, The SPARK Programs, Kaho‘omiki, and a few concerned individuals testified in support of this measure. The Department of Education, Department of Human Services, and a concerned individual commented on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriations in unspecified amounts;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2109, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2109, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 846-14 Finance on H.B. No. 2257

The purpose of this measure is to enable the State to recruit and retain competent educational leadership by:

- (1) Increasing the salary cap of the Superintendent of Education (Superintendent); and
- (2) Authorizing the Board of Education to consider the option of withholding or altering the benefits package of the Superintendent in exchange for a salary that exceeds the salary level of civil service employees who receive benefits under Chapter 76, Hawaii Revised Statutes, and requiring the Board to report to the Legislature each instance in which it adjusts the Superintendent's salary.

The Board of Education, Hawaii Association of Independent Schools, Hawaii Business Roundtable, Hui for Excellence in Education, Kaneohe Ranch, and an individual provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2257, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2257, H.D. 2.

Signed by all members of the Committee except Representatives Ing and Ward.

SCRep. 847-14 Finance on H.B. No. 2473

The purpose of this measure is to raise student academic achievement by establishing the Education Innovation Grant Program within the Department of Education to provide moneys to teachers to implement innovative initiatives in education.

Witt Counseling Service and a concerned individual testified in support of this bill. The Department of Education, the Department of Budget and Finance, and IMUAlliance commented on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation in an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2473, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2473, H.D. 1.

Signed by all members of the Committee except Representatives Ing and Ward.

SCRep. 848-14 Finance on H.B. No. 2598

The purpose of this measure is to support public schools in Hawaii by:

- (1) Renaming the Hawaii 3R's School Repair and Maintenance Fund as the Hawaii 3R's School Improvement Fund; and
- (2) Requiring the transfer to the Fund of:
 - (A) Moneys received from the state income tax refund check-offs; and
 - (B) Any other moneys received by the Department of Education from grants and donations for school-level improvements and

minor repairs and maintenance.

The Department of Education, Hawaii 3R's, and Hawaiian Electric Company testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2598, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2598, H.D. 1.

Signed by all members of the Committee except Representatives Ing and Ward.

SCRep. 849-14 Finance on H.B. No. 2308

The purpose of this measure is to establish an Environmental Information Management Office within the Department of Health to support environmental protection by facilitating the efficient and effective collection and dissemination of environmental data.

The Department of Health, Office of Environmental Quality, Department of Transportation, Office of Hawaiian Affairs, and an individual testified in support of this measure. The Building Industry Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2308, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2308, H.D. 2.

Signed by all members of the Committee.

SCRep. 850-14 Finance on H.B. No. 2312

The purpose of this measure is to increase the five cents portion of the barrel tax for the Environmental Response, Energy, and Food Security Tax that is deposited into the Environmental Response Revolving Fund to support emergency oil spill response, chemical leakage response, hazardous environmental disaster response, and environmental clean ups.

The Department of Health and The Nature Conservancy testified in support of this measure. The Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2312, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2312, H.D. 2.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 851-14 Finance on H.B. No. 2292

The purpose of this measure is to provide emergency funding to the Department of Human Services to address the funding shortfall in its Medicaid Program resulting from the delay in reimbursement from the Hawaii Health Connector for services and moneys provided by the Department of Human Services to the Hawaii Health Connector.

The Department of Human Services testified in support of this measure. The Hawaii Health Connector provided comments on this measure.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 185 to the Legislature, requested immediate consideration and passage of this bill.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2292, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 852-14 Finance on H.B. No. 2188

The purpose of this measure is to provide the Legislature with greater flexibility in directing general fund spending by eliminating unnecessary and inactive funds and programs. Specifically, this measure:

- (1) Repeals the Waialua Loan and Subsidy Program, the Kikala-Keokea Infrastructure Development Fund, and the Kikala-Keokea Housing Revolving Fund; and
- (2) Deposits any residual moneys from these terminated funds and programs into the Rental Assistance Revolving Fund or the general fund.

The Department of Land and Natural Resources provided testimony in support of this measure. The Hawaii Housing Finance and Development Corporation provided comments.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2188, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2188, H.D. 1.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 853-14 Finance on H.B. No. 2250

The purpose of this measure is to provide the Board of Directors of the Hawaii Housing Finance and Development Corporation greater flexibility in setting the salary of its Executive Director by:

- (1) Removing the limitation that the salary of the Executive Director not exceed 85 percent of the salary of the Director of Human Resources Development;
- (2) Authorizing the Board to alter the Executive Director's benefits package in exchange for a salary that exceeds the salary level of civil service employees who receive benefits under Chapter 76, Hawaii Revised Statutes; and
- (3) Requiring the Board to report each adjustment of the Executive Director's salary to the Legislature.

The Hawaii Housing Finance and Development Corporation and Department of Business, Economic Development and Tourism testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2250, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2250, H.D. 2.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 854-14 Finance on H.B. No. 2448

The purpose of this measure is to:

- (1) Allow the Hawaii Housing Finance and Development Corporation (Corporation) to issue bonds to finance infrastructure development on land owned by an eligible developer of an affordable housing project being constructed under a state or county affordable housing requirement; and
- (2) Authorize the Corporation to issue revenue bonds of up to \$125,000,000 to finance the development of infrastructure for affordable housing projects.

The Corporation testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2448, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No.

2448, H.D. 2.

Signed by all members of the Committee except Representatives Kobayashi and Ward.

SCRep. 855-14 Finance on H.B. No. 1596

The purpose of this measure is to promote literacy in Hawaii by establishing and funding a Statewide Literacy Program within the Department of Human Services to allow collaboration with nonprofit groups to provide direct services to children and their parents to teach children to read, strengthen family relationships, and improve family attitudes towards school and learning.

The Hawaii State Public Library System and numerous concerned citizens submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1596, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 856-14 Finance on H.B. No. 1588

The purpose of this measure is to clarify that the \$850,000 maximum is a per contract, not aggregate, limit in the exemption from civil service laws for personal services contracts for custodial and grounds maintenance programs with qualified community rehabilitation programs.

The Mayor of the County of Maui, Ka Lima O Maui, Maui CPR & First Aid, Takitani Agaran & Jorgensen, LLLP, and numerous individuals supported this measure. The United Public Workers, AFSCME, Local 646, AFL-CIO opposed this measure.

Your Committee has amended this bill by changing its effective date to July 1, 2030, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1588, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1588, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 857-14 Finance on H.B. No. 2489

The purpose of this measure is to support and enable evidence-based practices and programs that will reduce future delinquency by Hawaii's youth in cost-effective ways, including mental health and substance abuse treatment programs, by appropriating funds to the Family Court Division of the Judiciary and the Office of Youth Services, and authorizing the transfer of unexpended funds from the Hawaii Youth Correctional Facility budget to the Family Court Division of the Judiciary.

The Department of Health; State of Hawaii Judiciary; the Office of the Governor; Office of Youth Services; Office of the Mayor of the County of Hawaii; Honolulu Police Department; Hawaii Substance Abuse Coalition; Hawaii Youth Services Network; Community Alliance on Prisons; Office of the Prosecuting Attorney, County of Kauai; Drug Policy Action Group; and three concerned individuals testified in support of this measure. Two concerned individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2489, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2489, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 858-14 Finance on H.B. No. 1616

The purpose of this measure is to improve health outcomes for the people of Hawaii by updating the Hawaii State Planning Act's objectives for health to include identifying and addressing social determinants of health to eliminate health disparities for Native Hawaiian, other Pacific Islanders, and Filipino populations.

The Office of Hawaiian Affairs; Office of Community Services; Kokua Kalihi Valley Comprehensive Family Services; Hawaii Appleseed Center for Law and Economic Justice; Hawaii Alliance for Community-Based Economic Development; Kaiser Permanente; Waimanalo Health Center; Hookakoo Corporation; Healthy Pacific Organization; Aha Kane; and numerous concerned individuals testified in support of this measure.

Your Committee has amended this measure:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1616, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1616, H.D. 1.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 859-14 Finance on H.B. No. 1684

The purpose of this measure is to require the Department of Land and Natural Resources to adopt administrative rules establishing a permitting system that limits the number and capacity of boats and people at manta ray aggregation sites.

The Ocean Tourism Coalition and an individual testified in support of this measure. The Department of Land and Natural Resources provided comments.

Your Committee notes that there was discussion regarding the potential scope of the rules to be adopted pursuant to this measure. Specifically, your Committee discussed whether the rules should take into account the geographical and community context of delineated manta ray aggregation sites.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1684, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1684, H.D. 1.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 860-14 Finance on H.B. No. 2101

The purpose of this measure is to authorize the deposit of a portion of state conveyance tax revenues into the Kaho‘olawe Rehabilitation Trust Fund for the long-term rehabilitation of Kaho‘olawe and maintenance of the Kaho‘olawe Island Reserve.

The Office of Hawaiian Affairs, a County of Maui Councilmember, County of Maui Department of Planning, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, Protect Kaho‘olawe Ohana, Kaho‘olawe Island Reserve Commission, and numerous concerned individuals testified in support of this measure. The Department of Land and Natural Resources and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the percentage and cap amount of the conveyance tax revenue deposited into the Kaho‘olawe Rehabilitation Trust Fund to unspecified amounts;
- (2) Changing the effective date to July 1, 2030; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2101, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2101, H.D. 1.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 861-14 Finance on H.B. No. 2286

The purpose of this measure is to support an increase in the inventory of affordable housing units by extending the affordable housing credit program under the Department of Hawaiian Home Lands until June 30, 2025.

The City and County of Honolulu Department of Planning and Permitting and Kaua‘i County Housing Agency provided testimony in opposition to this measure.

For the purposes of a public hearing on this measure, your Committee circulated a Proposed Draft and notified the public that it would be accepting testimony on the proposal, which:

- (1) Specifies that an affordable housing obligation means any obligation imposed by a county to develop any type of residence for sale or rent to individuals within a specified income range regardless of the date of its enactment; and

- (2) Extends the affordable housing credit program under the Department of Hawaiian Home Lands to June 30, 2025.

The Department of Hawaiian Home Lands provided testimony in support of the Proposed Draft.

Your Committee considered the merits of both H.B. No. 2286, H.D. 2, as received by your Committee, and the Proposed Draft. Upon careful consideration, your Committee adopted the Proposed Draft.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2286, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2286, H.D. 3.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 862-14 Finance on H.B. No. 2288

The purpose of this measure is to provide the Department of Hawaiian Home Lands (Department) greater flexibility in generating revenues from its land holdings by allowing the Department to dispose of department-owned or department-controlled improvements or portions thereof on Hawaiian home lands through direct negotiations and at fair market rents for a term not to exceed five years.

The Department of Hawaiian Home Lands testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2288, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2288, H.D. 1.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 863-14 Finance on H.B. No. 2357

The purpose of this measure is to work toward better managing Hawaii's ocean and marine resources by authorizing the Aha Moku Advisory Committee, in consultation with fishery communities engaging in traditional Hawaiian fishery sustainability practices, to provide advice on establishing and applying traditional konohiki management practices to restore fishery food stocks and environmental well-being.

The Department of Land and Natural Resources, Aha Moku Advisory Committee, and the Center for Hawaiian Sovereignty Studies commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2357, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2357, H.D. 1.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 864-14 Finance on H.B. No. 2562

The purpose of this measure is to support Hawaiian language education by establishing a task force within the Department of Education to locate potential, viable properties along the Waianae Coast, with a preference for a location in Nanakuli, on which to establish a Hawaiian language immersion school to educate students from kindergarten to grade twelve.

The Office of Hawaiian Affairs provided testimony in support of this measure. The Association of Hawaiian Civic Clubs and Center for Hawaiian Sovereignty Studies provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of H.B. No. 2562, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2562, H.D. 1.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 865-14 Finance on H.B. No. 1692

The purpose of this measure is to improve the efficiency, transparency, and accountability of the Hawaii Tourism Authority (Authority) by adopting recommendations from the Office of the Auditor that require the Authority's brand management plan to be contained within a single, comprehensive document, and include a report on progress toward achieving strategic plan goals in its annual report.

The Authority provided testimony in support of this measure. The Office of the Auditor provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the provision that allows the Authority to withhold from public disclosure competitively sensitive information under certain circumstances;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1692, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1692, H.D. 2.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 866-14 Finance on H.B. No. 1900

The purpose of this measure is to ensure equity in the application of taxes imposed on transient accommodations by providing for the taxation of destination clubs. This measure, among other things:

- (1) Establishes a tax on annual destination club dues apportioned to the State; and
- (2) Requires destination club membership plan managers to represent the destination club membership plan, pay the imposed tax, register with the Department of Taxation, and keep records of annual destination club dues apportioned to the State.

The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the tax an unspecified percentage of the annual destination club dues apportioned to the State;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1900, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1900, H.D. 1.

Signed by all members of the Committee.

SCRep. 867-14 Finance on H.B. No. 2434

The purpose of this measure is to specify that the \$3,000,000 Transient Accommodations Tax (TAT) revenue amount currently allocated for expenditure pursuant to agreement between the Hawaii Tourism Authority (HTA) and the Board of Land and Natural Resources (BLNR) for natural resources and facilities purposes in accordance with HTA's Strategic Plan shall be:

- (1) Deposited into the Special Land and Development Fund rather than the general fund; and
- (2) Distributed among the Beach Restoration Special Fund, State Parks Special Fund, Trail and Access Program, and Conservation and Resources Enforcement Special Fund for expenditure by various divisions of the Department of Land and Natural resources in accordance with the agreement between BLNR and HTA.

The Department of Land and Natural Resources, Hawaii Tourism Authority, The Chamber of Commerce of Hawaii, Outrigger Hotels Hawaii, and Hawai'i Lodging & Tourism Association supported this measure. The Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2434, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2434, H.D. 2.

Signed by all members of the Committee.

SCRep. 868-14 Finance on H.B. No. 2435

The purpose of this measure is to enhance the operational effectiveness and efficiency of the Hawaii Tourism Authority (Authority) by making permanent the provisions of Act 58, Session Laws of Hawaii 2004 that:

- (1) Exempts the Authority from the supervision of accounts by the Comptroller;
- (2) Allows the Comptroller to request the Authority to provide information when preparing the Comptroller's annual publication of statements;
- (3) Subjects the Authority to accounting form requirements only with respect to uniform business and accounting forms of statewide use in the State's accounting system;
- (4) Makes the Authority's Executive Director subject to the State's pension and retirement systems and adjusts the Executive Director's compensation package;
- (5) Allows the Authority's Board of Directors to appoint a Sports Coordinator; and
- (6) Allows interest and revenues or receipts derived by the Authority from any project or project agreements to be deposited into the Tourism Special Fund.

The Hawaii Tourism Authority provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2435, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2435, H.D. 1.

Signed by all members of the Committee.

SCRep. 869-14 Finance on H.B. No. 736

The purpose of this measure is to appropriate funds for the planning, design, and construction of a shared-use pathway, allowing for pedestrian and bicycle traffic, along the mauka section of Kahekili Highway between East Hui Iwa Street and Waihee Road.

KEY Project, Hawaii Bicycling League, Sierra Club of Hawaii, and many individuals testified in support of this measure. The Department of Transportation testified in opposition of this measure. Two individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the funding source for the planning, design, and construction of the shared-use pathway from general revenues to general obligation bonds;
- (2) Changing the sums for planning, design, and construction to unspecified amounts; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 736, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 736, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 870-14 Finance on H.B. No. 2563

The purpose of this measure is to improve traffic flow on Oahu by:

- (1) Requiring the Department of Transportation to conduct a feasibility study on the construction of an alternative access road into and out of the Leeward Coast of Oahu;
- (2) Requiring the Department of Transportation to recommend improvements to traffic flow in the Central Oahu corridor;
- (3) Establishing a Major Accident Investigation Team in counties with a population of 500,000 or more; and
- (4) Appropriating funds to the Department of Transportation for the purposes of this measure.

The Department of Transportation commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2563, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2563, H.D. 2.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 871-14 Finance on H.B. No. 2593

The purpose of this measure is to enrich the State's communities and take a positive step toward the reduction of graffiti by expanding opportunities appropriate for this type of creative social expression by creating a pilot program for the creation of urban art on state property under the direction of the State Foundation on Culture and the Arts.

The Department of Transportation and a concerned individual testified in support of this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to encourage further discussion and making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2593, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2593, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 872-14 Finance on H.B. No. 1120

The purpose of this measure is to direct the Office of Planning to:

- (1) Investigate the current status of the Land Study Bureau's five-class productivity rating system, both in statute and as a driver of land use and agricultural policy; and
- (2) Make recommendations regarding the continued relevance of the system and the potential adoption of an alternative regulatory basis.

An individual provided testimony in support of this measure. The Land Use Research Foundation and Hawaii Cattlemen's Council provided testimony in opposition to this measure. The Office of Planning and Department of Agriculture provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1120, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1120, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 873-14 Finance on H.B. No. 1688

The purpose of this measure is to, among other things:

- (1) Grant certain lessees of public land the right to extend a lease that is within ten years of its expiration upon a demonstration that financing for capital improvements on the land is dependent upon extension of the lease term, among other factors;
- (2) Establish an appraisal process to assist in the determination of fair market value for rental purposes; and
- (3) Provide for reimbursement to the lessee for the depreciated value of improvements where the lease is not extended.

Hilo Bay Printing Co., Ltd.; HPM Building Supply; Chika Nakano Repair Shop; Citizens for Fair Valuation; Takamine Construction, Inc.; Japanese Chamber of Commerce & Industry of Hawaii; and a few individuals provided testimony in support of this measure. The Department of Land and Natural Resources provided testimony in opposition to this measure. The Hawaii Farm Bureau provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1688, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1688, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 874-14 Finance on H.B. No. 1901

The purpose of this measure is to establish a task force that will examine the feasibility of State participation in the Interstate Wildlife Violator Compact and report its findings and recommendations to the Legislature.

The Humane Society of the United States, Hawaii Rifle Association, and two individuals testified in support of this measure. An individual testified in opposition to this measure. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1901, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1901, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 875-14 Finance on H.B. No. 2626

The purpose of this measure is to promote manufacturing in the State by establishing a temporary nonrefundable income tax credit for qualified manufacturing costs incurred by a taxpayer.

The Hawaii Food Industry Association; KYD, Inc.; and Meadow Gold Dairies testified in support of this measure. The Department of Taxation; Department of Business, Economic Development and Tourism; High Technology Development Corporation; Hawaii Strategic Development Corporation; Tax Foundation of Hawaii; and Chamber of Commerce Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the income tax credit claimable for qualified manufacturing costs from a refundable to nonrefundable tax credit; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2626, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2626, H.D. 2.

Signed by all members of the Committee.

SCRep. 876-14 Finance on H.B. No. 2011

The purpose of this measure is to give the Agribusiness Development Corporation additional means to move Hawaii closer to food sustainability and self-sufficiency by:

- (1) Authorizing the Corporation to issue up to \$175,000,000 in revenue bonds to acquire specified agricultural lands owned by the Dole Food Company on the island of Oahu;
- (2) Establishing the Agribusiness Land and Facilities Special Fund that will be the depository of revenues from, and used to operate, manage, and maintain, the Dole Food Company lands;
- (3) Requiring the counties to enact an agriculture subdivision code to promote agriculture; provided that should the counties fail to do so by 2015, the Corporation may establish a code;
- (4) Authorizing the Corporation to subdivide agricultural lands controlled by the State, exempt from county infrastructure and road requirements, to encourage farming; and
- (5) In awarding leases, requiring the Corporation to give priority to agricultural and livestock farmers who produce products for human consumption in the State.

Ulu pono Initiative; Protect Kahoolawe Ohana; Hawaii Farm Bureau; and three concerned individuals testified in support of this measure. The Department of Planning and Permitting of the City and County of Honolulu testified in opposition to this measure. The Agribusiness Development Corporation commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation and authorization of revenue bonds amounts to unspecified sums;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2011, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2011, H.D. 1.

Signed by all members of the Committee.

SCRep. 877-14 Finance on H.B. No. 2255

The purpose of this measure is to facilitate the use of energy performance contracts by government agencies to finance improvements to their facilities and operations by clarifying the statutory provisions relating to energy performance contracts, including by specifying that:

- (1) Agencies entering into energy performance contracts may continue to receive budget appropriations and have access to financing options;
- (2) An energy performance contract have a maximum term of 25 years, including the construction period; and
- (3) Agencies implementing the performance contracts provide annual reports to the Energy Resources Coordinator.

The Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Sierra Club of Hawaii; and Ulu pono Initiative provided testimony in support of this measure. The Department of Transportation provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2255, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2255, H.D. 1.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 878-14 Finance on H.B. No. 2169

The purpose of this measure is to provide stimulus incentives to the tourism industry by:

- (1) Providing hotel and resort owners and operators a tax credit based on a percentage of wages paid to certain new employees hired following construction or renovation of a hotel or resort;

- (2) Providing a General Excise Tax exemption for certain income from construction or renovation of a hotel or resort; and
- (3) Providing a Use Tax exemption for property, services, and contracting subject to the newly-created General Excise Tax exemption.

Wyndham Vacation Ownership, American Resort Development Association, and Hawai'i Lodging & Tourism Association testified in support of this measure. The Department of Taxation, Tax Foundation of Hawaii, and Outrigger Enterprises Group provided comments.

Your Committee has amended this measure by:

- (1) Changing the income tax credit claimable by hotel and resort employers to an unspecified percentage of wages paid to qualified employees;
- (2) Making the income tax credit provided to hotel and resort employers a non-refundable tax credit;
- (3) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2169, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2169, H.D. 1.

Signed by all members of the Committee.

SCRep. 879-14 Finance on H.B. No. 1594

The purpose of this measure is to boost the State's tourism and construction industries by providing a taxpayer constructing or renovating a qualified hotel facility with a nonrefundable income tax credit for certain incurred construction or renovation costs.

The Hawaii Tourism Authority, Wyndham Vacation Ownership, American Resort Development Association, and Subcontractors Association of Hawaii testified in support of this measure. The Department of Taxation, Outrigger Hotels Hawaii, Tax Foundation of Hawaii, and Hawaii Regional Council of Carpenters provided comments.

Your Committee has amended this measure by:

- (1) Changing the percentage of construction or renovation costs claimable as a tax credit to an unspecified percentage;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1594, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1594, H.D. 2.

Signed by all members of the Committee.

SCRep. 880-14 Finance on H.B. No. 2170

The purpose of this measure is to support Hawaii's hotel construction industry by creating an income tax credit, with pre-certification of the credit, for costs incurred in new hotel construction.

Wyndham Vacation Ownership and Hawaii Lodging & Tourism Association testified in support of this measure. The Department of Taxation, Outrigger Hotels Hawaii, Tax Foundation of Hawaii, and Hawaii Regional Council of Carpenters commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2170, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2170, H.D. 2.

Signed by all members of the Committee.

SCRep. 881-14 Finance on H.B. No. 1618

The purpose of this measure is to assist the Board of Land and Natural Resources in administering lands and resources with respect to native

Hawaiian issues by requiring that at least one member of the Board have demonstrated expertise in native Hawaiian traditional and customary practices in accordance with specified educational, work history, or substantial experience criteria.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and two individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments, including a conforming amendment to an additional statutory section, for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1618, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1618, H.D. 1.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 882-14 Finance on H.B. No. 1902

The purpose of this measure is to ensure that there is no net loss of public hunting areas throughout the State by:

- (1) Prohibiting the Department of Land and Natural Resources from reducing the total acreage of designated public hunting areas on each island;
- (2) Requiring the Department to designate comparable replacement state land if the Department makes public hunting area land unavailable; and
- (3) Requiring the Department to submit an annual report to the Legislature explaining the unavailability and replacement of public hunting lands in the previous year.

The Mayor of the County of Hawaii; a Hawaii County Council Member; Hawaii County Game Management Advisory Commission; Hawaii Sportsmen Alliance; National Wild Turkey Federation; Mauna Kea Recreational Users Group; Hawaii Rifle Association; JK Taxidermy; Babooze Bowstrings; Hawaiian Hunting Association; National Rifle Association of America; Hui Kuahiwi; and numerous concerned individuals testified in support of this measure. The Department of Land and Natural Resources; the Nature Conservancy; the Coordinating Group on Alien Pest Species; Earth Justice; Oahu Invasive Species Committee; Big Island Invasive Species Committee; Hawaii Audubon Society; Friends at Hakalau Forest National Wildlife Refuge; Kauai Watershed Alliance; and numerous concerned individuals testified in opposition to this measure. The Office of Hawaiian Affairs and one concerned individual commented on this measure.

Your Committee has amended this measure by:

- (1) Inserting a preamble that defines the purpose of the measure;
- (2) Specifying that the Department shall make reasonable efforts to prevent and replace the loss, destruction, or degradation of public hunting areas on any island of the State instead of strictly prohibiting a reduction in acreage;
- (3) Clarifying the required contents of the Department's report to the Legislature regarding public hunting lands;
- (4) Establishing the Hunting Advisory Commission within the Department, to serve in an advisory role on hunting-related matters;
- (5) Making an appropriation of an unspecified sum to the Department for administrative expenses related to the Hunting Advisory Commission; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1902, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1902, H.D. 2.

Signed by all members of the Committee.

SCRep. 883-14 Finance on H.B. No. 2282

The purpose of this measure is to move the State toward a more diversified economy and assist small businesses that conduct innovative research by:

- (1) Adding the receipt of Phase II and III Small Business Innovation Research awards and contracts from any participating federal agency to the qualifying criteria for businesses to receive grants from the High Technology Development Corporation; and
- (2) Amending the ceiling on fund transfers from the Hawaii Capital Loan Revolving Fund for the High Technology Development

Corporation to provide grants to small businesses that qualify for the grants.

The Office of the Governor; High Technology Development Corporation; Ohana investment works LLC; Oceanit; Spectrum Photonics, Inc.; Guide Star Engineering, LLC; HealthTechApps, inc.; Beyond Organic Consulting, Inc.; TeraSys Technologies; Tissue Genesis, Inc.; Hawaii Fish Company; and two individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2282, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 884-14 Finance on H.B. No. 2410

The purpose of this measure is to promote students' academic success by requiring the Board of Education (Board), in collaboration with stakeholders, to:

- (1) Develop a pilot program, to be implemented by the Department of Education (Department), to assist students enrolled in kindergarten and grades four, eight, and ten to achieve the Common Core State Standards at established annual objective goals;
- (2) Require certain information about each school to be incorporated and maintained on the Department's intranet; and
- (3) Provide on a single webpage on the Department's official website specified information for each public school.

This measure also appropriates \$5,000,000 for the development and implementation of the pilot program and the Department's webpage.

An individual testified in support of this measure. The Department of Education, IMUAlliance, and Hui for Excellence in Education provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Board include on its official website information:
 - (A) About a school's strategy for achieving Common Core State Standards goals and targets; and
 - (B) Concerning perceived obstacles to a school's achievement of the Common Core State Standards;
- (2) Requiring the Department to collaborate with appropriate exclusive bargaining units, rather than with stakeholders it deems necessary, regarding specified information to be incorporated and maintained on its intranet;
- (3) Specifying that the Board shall incorporate and maintain on the Department's intranet an adequate description of general best practices based on the most recent research on how students learn;
- (4) Deleting the requirement that the Board incorporate and maintain on the Department's intranet information regarding teacher-parent communication practices;
- (5) Requiring that the Board include on the Department's intranet a school's strategy for achieving goals and targets with respect to Common Core State Standards;
- (6) Specifying that the pilot program shall be implemented for two school years on Maui beginning with the 2015-2016 school year;
- (7) Specifying that if the Board deems the pilot program to be successful, the pilot program shall be implemented for all schools throughout the State;
- (8) Making the appropriation in an unspecified amount;
- (9) Specifying that funds appropriated and unencumbered as of June 30, 2016, shall lapse to the credit of the general fund;
- (10) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (11) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2410, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2410, H.D. 1.

Signed by all members of the Committee.

SCRep. 885-14 Finance on H.B. No. 2293

The purpose of this measure is to provide increased access to medical care and create more sustainable hospitals by continuing the Hospital Sustainability Program established in 2012.

The Department of Human Services, Hawaii Primary Care Association, Healthcare Association of Hawaii, Chamber of Commerce of Hawaii, and The Queen's Health Systems provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting provisions that would have exempted the Hospital Sustainability Program Special Fund from the requirement to pay five percent of all of its receipts for central services expenses pursuant to section 36-27, Hawaii Revised Statutes;
- (2) Making the appropriation in an unspecified amount;
- (3) Changing its effective date to June 29, 2030, for the purpose of facilitating further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2293, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2293, H.D. 2.

Signed by all members of the Committee except Representative Morikawa.

SCRep. 886-14 Finance on H.B. No. 2294

The purpose of this measure is to provide Hawaii residents with increased access to long-term care and more sustainable nursing facilities by:

- (1) Exempting the Nursing Facility Sustainability Program from the central services fees assessed under section 36-27, Hawaii Revised Statutes (HRS);
- (2) Extending the Nursing Facility Sustainability Program for one year, and making corresponding amendments to the sunset of its special fund and the use of revenues to enhance the capitated rates paid to Medicaid managed care health plans; and
- (3) Appropriating funds out of the Nursing Facility Sustainability Program Special Fund to be used for the Nursing Facility Sustainability Program.

The Department of Human Services, Hawaii Health Systems Corporation Corporate Board of Directors, Healthcare Association of Hawaii, Hawaii Long Term Care Association, Hawai'i Primary Care Association, and The Chamber of Commerce of Hawaii supported this measure.

Your Committee has amended this bill by:

- (1) Deleting the Nursing Facility Sustainability Program Special Fund from the statutory exemption from central services fees assessed under section 36-27, HRS;
- (2) Making the appropriation in an unspecified amount;
- (3) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2294, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2294, H.D. 1.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 887-14 Finance on H.B. No. 1780

The purpose of this measure is to ensure that the Child Support Enforcement Agency is able to carry out its statutory duties by appropriating funds to the Department of the Attorney General to reinstate several positions within the Agency.

The Department of the Attorney General testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion;
- (2) Making the appropriation in an unspecified amount; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1780, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1780, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 888-14 Finance on H.B. No. 2442

The purpose of this measure is to amend the Hawaii Public Procurement Code to repeal the remedy of suspension and require the Chief Procurement Officer to debar a person from consideration for an award of any public contract for up to three years if the person has been convicted of certain state or federal crimes, or has violated certain contract provisions or ethical standards.

The State Procurement Office, American Council of Engineering Companies of Hawaii, General Contractors Association of Hawaii, and Coalition of Hawaii Engineering & Architectural Professionals provided testimony in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments, including conforming amendments to related statutory sections, for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2442, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2442, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 889-14 Finance on H.B. No. 2490

The purpose of this measure is to enhance the existing juvenile justice system by, among other things:

- (1) Requiring the Executive Director of the Office of Youth Services to create a personalized reentry plan for all persons committed to the Hawaii Youth Correctional Facilities and specifying notice requirements related to the reentry plan;
- (2) Standardizing probation supervision requirements, including requiring probation officers to create an individualized case plan for each child placed on probation;
- (3) Authorizing probation officers to impose graduated sanctions for violations of, or award incentives to reward compliance with rules and terms of probation;
- (4) Establishing an earned discharge from probation program to incentivize compliance with rules and terms of probation;
- (5) Establishing a Statewide Juvenile Justice Interdepartmental Cluster to provide coordinated services to certain children under the jurisdiction of the family courts;
- (6) Specifying factors for the Executive Director to consider when granting parole;
- (7) Requiring the Board of Family Court Judges to provide guidelines and procedures necessary to implement a single statewide standardize tool to conduct risk and needs assessments to help reduce the likelihood of recidivism;
- (8) Requiring the Directors of the Family Courts of each circuit to establish a framework to guide probation officers in exercising discretion in providing informal adjustment;
- (9) Requiring the family courts to conduct a risk assessment for each child before disposition to assist the family courts in making an appropriate disposition, and to inform reentry and case plans;
- (10) Authorizing the court to suspend proceedings when the risk assessment indicates substance or mental health issues to allow for earlier treatment; and
- (11) Establishing a temporary Juvenile Justice Oversight Advisory Council to monitor and oversee the implementation of this measure.

The Office of the Governor; Judiciary; Office of Youth Services; Office of Hawaiian Affairs; Office of the Mayor of the County of Hawaii; Office of the Prosecuting Attorney, County of Kauai; Hawaii Youth Services Network; Community Alliance on Prisons; Drug Action Policy Group; and a few individuals provided testimony in support of this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu provided testimony in opposition to this measure. The Department of the Attorney General, Department of Health, Crime Victim Compensation Commission, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2490, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2490, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 890-14 Finance on H.B. No. 2251

The purpose of this measure is to ensure the Hula Mae Multifamily Revenue Bond Program can continue to finance the development and preservation of affordable rental housing in future years by increasing the authorized aggregate principal limit for revenue bond issuance from \$750,000,000 to \$1,000,000,000.

The Hawaii Housing Finance and Development Corporation; Department of Business, Economic Development, and Tourism; and Hawai'i Association of REALTORS supported this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2251, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2251, H.D. 1.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 891-14 Finance on H.B. No. 1971

The purpose of this measure is to allow administrative, support, and instructional employees in charter schools to receive sick leave, vacation, and leave-sharing benefits as well as additional support and incentives offered by the Department of Education, including hard-to-staff incentives, National Board certification incentives, special education teacher incentives, bonuses for completion of probation, and teacher licensing fees on the same basis as public school teachers and in accordance with collective bargaining supplemental agreements.

The State Public Charter School Commission and Hawaii State Teachers Association testified in support of this measure. The Department of Education and Hawaii Public Charter Schools Network provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1971, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem and Ward.

SCRep. 892-14 Finance on H.B. No. 1999

The purpose of this measure is to ensure adequate provision of electric utility services to the public by establishing a Legislative Utility Review Task Force to review franchises held by investor-owned public utilities.

Sierra Club of Hawaii and a concerned individual testified in support of this measure. Hawaiian Electric Company, Inc., Maui Electric Company, Limited, and Hawaii Electric Light Company, Inc., testified in opposition to this measure. The Public Utilities Commission and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1999, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1999, H.D. 3.

Signed by all members of the Committee except Representative Woodson.

SCRep. 893-14 Judiciary on H.B. No. 2116

The purpose of this measure is to account for the developmental differences between juvenile and adult offenders in sentencing juveniles by:

- (1) Establishing sentence modification procedures and sentencing considerations for offenses committed by individuals prior to their turning age 18;
- (2) Abolishing life imprisonment without the possibility of parole as a sentencing option for those convicted for offenses committed while under the age of 18; and
- (3) Limiting the minimum term of incarceration required before a person sentenced for an offense committed while under 18 years of age may be eligible for parole.

The Office of Hawaiian Affairs, Community Alliance on Prisons, Campaign for the Fair Sentencing of Youth, Hawaii Appleseed Center for Law and Economic Justice, Drug Policy Action Group, and several concerned individuals supported this bill. The Hawaii Paroling Authority and Department of the Prosecuting Attorney of the City and County of Honolulu opposed this measure. The Office of the Public Defender, Office of the Prosecuting Attorney of the County of Kauai, Richardson Students for the Rights of Children, and a concerned individual submitted comments.

Your Committee has amended this bill by:

- (1) Deleting the provisions regarding:
 - (A) The establishment of sentence modification procedures and sentencing considerations for offenses committed by individuals prior to their turning age 18; and
 - (B) The minimum term of incarceration required before a person sentenced for an offense committed while under 18 years of age may be eligible for parole;
- (2) Applying its provisions to proceedings that were begun but not concluded before its effective date; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee hopes the Governor will consider commuting the sentence of any currently incarcerated individual who was sentenced to life imprisonment without the possibility of parole, because of a crime committed as a juvenile, to a sentence of life imprisonment with the possibility of parole.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2116, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2116, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Lee, Nakashima and Wooley.

SCRep. 894-14 Judiciary on H.B. No. 2302

The purpose of this measure is to authorize the Department of Health to conduct multidisciplinary and multiagency behavioral support reviews of restraints or seclusion used on persons with developmental or intellectual disabilities. Further, this measure authorizes the disclosure, use, and review of relevant information that may otherwise be prohibited based on privacy or confidentiality concerns and limits civil and criminal liability of agencies and individuals participating in behavioral support reviews for the use or review of information, records, and activities.

The Department of Health; State Council on Developmental Disabilities; United Public Workers, AFSCME, Local 646, AFL-CIO; and a few concerned individuals testified in support of this measure. The Hawaii Association for Justice provided comments.

Your Committee has amended this measure by:

- (1) Adding definitions for "developmental period" and "residential support services";
- (2) Clarifying the immunity language by specifying that agencies and individuals participating in an authorized review shall not be civilly or criminally liable for providing information regarding the restraint or seclusion of a person with developmental or intellectual disabilities for purposes of the authorized review; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2302, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2302, H.D. 2.

Signed by all members of the Committee except Representatives Har, Lee and Nakashima.

SCRep. 895-14 Finance on H.B. No. 2565

The purpose of this measure is to protect public health and safety, as well as coastal lands, while allowing the commemoration of loved ones who have passed by establishing the Coastal Memorials Task Force to evaluate, develop standards, and make recommendations regarding the practice of erecting coastal memorials.

Three concerned individuals testified in support of this measure. The Department of Land and Natural Resources testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2565, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2565, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 896-14 Finance on H.B. No. 2276

The purpose of this measure is to establish a statewide Early Childhood Education Program to be administered by the Executive Office on Early Learning and implemented upon the ratification of S.B. No. 1084, S.D. 1, H.D. 1, C.D. 1 (2013).

The Executive Office on Early Learning; Department of Education; Department of Public Safety; Department of Human Services; University of Hawaii; University of Hawaii at Manoa College of Education; Hawai'i Community Foundation; Hui for Excellence in Education; Good Beginnings Alliance; Early Learning Advisory Board; Hawaii Association of Independent Schools; Kamehameha Schools; Hawai'i P-20; KCAA Preschools of Hawai'i; PHOCUSED; The Chamber of Commerce of Hawaii; Hawai'i Association for the Education of Young Children; The Pacific Resource Partnership; Aloha United Way; Hawaii Business Roundtable; 'Aha Pūnana Leo; Partners In Development Foundation; and numerous individuals supported this measure. The Hawaii State Teachers Association and numerous individuals opposed this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2276, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2276, H.D. 1.

Signed by all members of the Committee.

SCRep. 897-14 Finance on H.B. No. 2597

The purpose of this measure is to help ensure that students in all schools are taught by highly motivated, highly qualified teachers who are fairly compensated. Specifically, this measure enhances the Teacher National Board Certification Incentive Program by making the additional \$5,000 per year bonus for teachers who maintain current national board certification available to teachers who teach at a school in a focus, priority, or superintendent's zone and deleting obsolete references.

The Department of Education and IMUAlliance testified in support of this measure. Hawaii State Teachers Association commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2597, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2597, H.D. 2.

Signed by all members of the Committee except Representatives Ing and Ward.

SCRep. 898-14 Finance on H.B. No. 2263

The purpose of this measure is to improve the funded status of the Employees' Retirement System (ERS) and reduce public employer contributions by changing the formula used to credit unused sick leave toward retirement benefits for public employees who become members of the ERS after June 30, 2014.

The ERS and the Department of Budget and Finance supported this measure. The University of Hawaii Professional Assembly, Hawaii Government Employees Association, Hawaii Fire Fighters Association, and United Public Workers, AFSCME, Local 646, AFL-CIO opposed this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2030, to facilitate continued discussion; and
- (2) Making technical, nonsubstantive amendments for clarity.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2263, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2263, H.D. 2.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 899-14 Finance on H.B. No. 1994

The purpose of this measure is to protect Hawaii's residents, businesses, and natural resources against the intrastate movement of invasive

species. Specifically, this measure:

- (1) Regulates the intrastate movement of certain articles and equipment that present a risk of spreading invasive species;
- (2) Establishes a civil penalty for any person who moves infested regulated articles intrastate;
- (3) Appropriates funds to the Department of Agriculture for:
 - (A) The enforcement of restrictions on intrastate movement of regulated articles; and
 - (B) Establishment of an interisland quarantine program;
- (4) Establishes within the Hawaii Invasive Species Council a task force to address the issue of the continued movement of invasive plants, plant pests, and vertebrate pests between islands; and
- (5) Appropriates funds to establish the Invasive Species Task Force.

The Sierra Club of Hawaii and the Molokai Subcommittee of the Maui Invasive Species Committee provided testimony in support of this measure. The Hawaii Floriculture and Nursery Association and Hawaii Export Nursery Association provided testimony in opposition to this measure. The Department of Agriculture, Department of Land and Natural Resources, and Maui Invasive Species Committee provided comments on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriations in unspecified amounts;
- (2) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1994, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1994, H.D. 1.

Signed by all members of the Committee.

SCRep. 900-14 Finance on H.B. No. 1841

The purpose of this measure is to provide additional housing opportunities for homeless families and individuals classified as "employees but homeless" by establishing the Hale Kokua Program as an additional resource within the Housing First Program of the Department of Human Services.

Rainbow Family 808 provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1841, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 901-14 Finance on H.B. No. 2580

The purpose of this measure is to update the minimum wage by:

- (1) Increasing the minimum hourly wage annually by a specified amount from January 1, 2015, to January 1, 2017;
- (2) After the January 1, 2017, minimum wage increase, adjusting the minimum wage rate by requiring the Department of Labor and Industrial Relations (Department) to adjust the minimum wage rate in accordance with the Honolulu Region Consumer Price Index; and
- (3) Repealing the tip credit.

The Representative of the First District of the House of Representatives of the Congress of the United States; Department of Labor and Industrial Relations; Department of Human Services; Hawaii State Commission on the Status of Women; Office of Community Services; a councilmember of the City and County of Honolulu, City Council; a councilmember of the Kauai County Council; Hawaii State Teachers Association; Laborers' International Union of North America, Local 368; National Association of Social Workers, Hawaii Chapter; Women's Caucus of the Democratic Party of Hawaii; Planned Parenthood of Hawaii; HealthyPacific.Org; Chamber of Commerce for Persons with Disabilities-Hawaii; Konkokyo Konko Mission of Wahiawa; Hawaii Alliance for Community-Based Economic Development; International Organization of Masters, Mates & Pilots; Marine Engineers' Beneficial Association; Unite Here! Local 5; Hawaii Credit Union League; First Unitarian Church of Honolulu; and several individuals provided testimony in support of this measure. The Chamber of Commerce of Hawaii; Maui Chamber of Commerce; Hawaii Restaurant Association; Big City Restaurants, Inc.; Atlantis Adventures Hawaii; National Federation of Independent Businesses Hawaii; VIP Foodservice; Pioneer Inn Hotel; Times Supermarkets; The Hawaii Business League; Pizza Bob's; Hawaii Food Industry Association; and several individuals provided testimony in opposition to this measure. The Executive Office on Early Learning; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Sailors' Union of the Pacific; Hawaii State AFL-CIO; Outrigger Enterprises Group; Faith Action for Community Equity; Faith Action for Community Equity, Maui; Pride At Work Hawaii; Partners In Care;

Dr. Martin Luther King Jr. Coalition Hawaii; Maui Marshallese Women's Club; Hawaii Gourmet Society, LLC; SAG-AFTRA Hawaii Local; Duke's Canoe Club Waikiki; Plumbers and Fitters United Association, Local 675; Keoki's Paradise; Catholic Charities of Hawaii; United Public Workers, AFSCME, Local 646, AFL-CIO (UPW); League of Women Voters of Hawaii; Progressive Democrats of Hawaii; Democratic Party of Hawaii; ILWU, Local 142; Hawaii Alliance for Retired Americans; Hawaii Appleseed Center for Law and Economic Justice; Kona-Kohala Chamber of Commerce; Hawaii Lodging & tourism Association; Maui Hotel & Lodging Association; PHOCUSED; Araki-Regan & Associates, LLC; Duke's Beach House Maui; Grand Cafe & Bakery; Duke's Canoe Club Kauai; T S Restaurants; Hula Grill Waikiki; Hula Grill; Gyotaku Japanese Restaurants; Japanese Chamber of Commerce & Industry of Hawaii; Hawaii Women's Coalition; Advocates For Consumer Rights; Ritz-Carlton Kapalua; LBD Coffee, LLC; and numerous individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a provision increasing the minimum wage to \$10.00 per hour beginning on January 1, 2018;
- (2) Deleting the requirement that tied the minimum wage rate to the Honolulu Region Consumer Price Index beginning after the January 1, 2017, minimum wage increase;
- (3) Reestablishing the tip credit of 25 cents per hour and annually increasing the amount of the tip credit by a specified amount from January 1, 2015, to January 1, 2017;
- (4) Specifying that the tip credit is allowed only when and after the gross amount the employee receives from the employee's employer and in tips in a taxable year is at least 250 percent of the poverty level as determined by the Director of Labor and Industrial Relations (Director);
- (5) Requiring the Director to establish the poverty level to establish the tip credit by October 1 of each year to be used in the following year; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2580, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2580, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 902-14 Finance on H.B. No. 1911

The purpose of this measure is to determine the feasibility of establishing a noncommercial fishing license program by funding and requiring the Department of Land and Natural Resources to conduct a study on the issue.

The Department of Land and Natural Resources and a concerned individual testified in support of this measure. A concerned individual testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1911, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 903-14 Finance on H.B. No. 1499

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to provide that freedom of speech does not include the expenditure of money to influence elections.

IMUAlliance testified in support of this measure. Several concerned individuals testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1499, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Tokioka.

SCRep. 904-14 Finance on H.B. No. 2529

The purpose and intent of this measure is to establish greater transparency and oversight for the Hawaii Health Connector ("Connector") and provide for its financial sustainability.

Among other things, this measure:

- (1) Specifies that the Connector is a nonprofit unincorporated entity that is an instrumentality of the State;
- (2) Changes the composition of the Connector board of directors;

- (3) Establishes a health insurers advisory group and an insurance producers advisory group to offer input and recommendations to the Connector board of directors;
- (4) Establishes the Connector legislative oversight committee to monitor the Connector's finances and operations;
- (5) Requires the Connector to submit an annual sustainability plan to the Insurance Commissioner and the Connector legislative oversight committee that includes a detailed budget, based upon zero-based budgeting principles, for the upcoming fiscal year;
- (6) Establishes the Hawaii Health Connector universal federally mandated sustainability fee that may be assessed by the Insurance Commissioner upon each insurer who sells health or dental insurance in the State, either through the Connector or outside of it, based upon the number of individuals covered by each insurer;
- (7) Requires the Insurance Commissioner to consider the recommendation of the Connector legislative oversight committee in setting the amount of the universal federally mandated sustainability fee each year;
- (8) Creates the Hawaii Health Connector sustainability special fund for the deposit of moneys received by the Connector, including the Hawaii Health Connector universal federally mandated sustainability fee;
- (9) Requires the Insurance Commissioner to transfer moneys from the Hawaii Health Connector sustainability special fund to the Connector to be used only for the administration, operation, and prudent cash management of the Connector;
- (10) Authorizes insurance agents and brokers who have been certified by the Insurance Commissioner to enroll individuals and employers in qualified plans through the Connector; and
- (11) Authorizes the Connector to raise revenue by charging fees to display advertisements for ancillary products on its website.

The Community Alliance for Mental Health and one individual provided testimony in support of this measure. The Office of Healthcare Transformation, Department of the Attorney General, Hawaii Health Connector, Hawaii Primary Care Association, The Chamber of Commerce of Hawaii, Hawaii Medical Service Association, National Association of Insurance and Financial Advisors - Hawaii, Hawaii Independent Insurance Agents Association, League of Women Voters of Hawaii, and the AARP provided comments.

Your Committee finds that the Hawaii Health Connector was established to implement health insurance reforms required by the federal Patient Protection and Affordable Care Act ("PPACA"). Your Committee believes that the governing structure of the Connector should include elements that allow for greater engagement with stakeholders, increased legislative review, and improved transparency of its operations. Your Committee also believes that it is necessary to establish a stable means of funding the Connector's ongoing operations that will enable it to address financial challenges and ensure its sustainability.

Your Committee has amended this measure by:

- (1) Specifying that the Connector legislative oversight committee will be dissolved on June 30, 2018;
- (2) Specifying that certified insurance agents and brokers shall be compensated for enrollments through the Connector in a manner to be determined by its board of directors;
- (3) Requiring the Connector to submit its annual sustainability plan to the Insurance Commissioner and the Connector legislative oversight committee no later than ninety days prior to the start of its fiscal year; provided that this requirement is imposed only until June 30, 2018;
- (4) Changing the maximum amount of cash reserve that may be specified by the Connector in its sustainability plan from three months to six months;
- (5) Requiring the annual sustainability plan to include the minutes of meetings of the consumer, patient, business, and health care advisory group, the health insurers advisory group, and the insurance producers advisory group, including the results of any votes taken, and any recommendations made by those advisory groups;
- (6) Clarifying that the Hawaii Health Connector universal federally mandated sustainability fee shall be collected on a pro rata basis from insurers and dental insurers;
- (7) Clarifying that the Insurance Commissioner, not the Connector legislative oversight committee, shall assess the Hawaii Health Connector universal federally mandated sustainability fee;
- (8) Specifying that any fee assessed before July 1, 2018, upon insurers and dental insurers for the purpose of funding the operations and cash reserves of the Connector shall be void, except the Hawaii Health Connector universal federally mandated sustainability fee or any fee charged for displaying advertisements for ancillary services on the Connector's website;
- (9) Discontinuing the assessment and collection of the Hawaii Health Connector universal federally mandated sustainability fee on June 30, 2018;
- (10) Dissolving the Hawaii Health Connector sustainability special fund on June 30, 2018, and transferring any unencumbered and unexpended balance remaining in the special fund on that date to the general fund;
- (11) Requiring the Connector to be a nonprofit incorporated entity rather than an unincorporated entity;

- (12) Deleting the requirement that the Connector be an instrumentality of the State;
- (13) Specifying that no employee of a health insurer may be appointed to the Connector board of directors;
- (14) Deleting the requirement for two members of the Connector board of directors to be appointed by the health insurers advisory group and reducing the total number of members of the Connector board of directors from twelve to ten; and
- (15) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2529, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2529, H.D. 3.

Signed by all members of the Committee except Representative Woodson.

SCRep. 905-14 Finance on H.B. No. 1866

The purpose of this measure is to enhance legislative and public oversight of the Hawaii Community Development Authority by, among other things:

- (1) Amending the composition and appointment procedure of the Authority, including by removing all existing members and appointing new members under the amended procedure;
- (2) Amending reserved housing requirements, including:
 - (A) Setting restrictions on the disposition of reserved and workforce housing by the Authority; and
 - (B) Requiring a developer to satisfy reserved housing requirements through either construction within the same development district or an equivalent cash payment;
- (3) Requiring that the set aside of public lands, expenditure of revolving funds, and issuance of special facility revenue bonds, be subject to legislative approval by two-thirds majority vote in each house;
- (4) Requiring that rules adopted by the Authority comply with all existing laws, rules, and ordinances; and
- (5) Eliminating the operating budget and capital investment amounts for the Authority for fiscal year 2014-2015 from the Executive Budget.

Kanehili Cultural Hui, Life of the Land Hawaii, Kakaako United, and numerous individuals testified in support of this measure. The Hawaii Building and Construction Trades Council, ALF-CIO; The Chamber of Commerce Hawaii; and Hawaii Laborers-Employers Cooperation and Education Trust testified in opposition to this measure. The Department of the Attorney General; Executive Director of the Hawaii Community Development Authority; Office of Hawaiian Affairs; Alexander & Baldwin, Inc.; Kamehameha Schools; Hawaii Construction Alliance; The Pacific Resource Partnership; Hawai'i Chapter of the American Planning Association; Hawaii's Thousand Friends; Downtown Capital LLC; and several individuals provided comments.

Your Committee has amended this measure by:

- (1) Adding procedures allowing for administrative appeal, intervention, and judicial review in proceedings regarding applications for development permits;
- (2) Adding the Planning Director of a county that contains a development district as an ex officio non-voting member of the Authority;
- (3) Providing additional oversight of the Authority through:
 - (A) Prohibiting the Authority from delegating its power to approve variances, exemptions, or modifications of community development plans or rules and expanding public hearing and public notice requirements for the Authority's use of such power;
 - (B) Setting out additional public notice procedures for development permit applications including posting on the Authority's website and notice by mail to property owners and residents in a specified radius by and at the expense of the developer;
 - (C) Setting height limits for buildings and structures in the Kakaako Community Development District; and
 - (D) Eliminating the set aside of public lands within community districts for Authority use;
- (4) Permitting the nonconformity of the Authority's rules with existing state and county requirements and providing for the vesting of a developer's rights and the continuing applicability of the rules in effect at the time of initial approval of a master plan permit and development agreement;
- (5) Clarifying reserved housing and affordable housing requirements to permit the sale of units to eligible buyers and to preserve it as affordable;
- (6) Eliminating the two-thirds majority requirement in favor of a simple majority requirement for the legislative approval of the

Authority's expenditures and bond issues; and

- (7) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1866, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1866, H.D. 2.

Signed by all members of the Committee except Representative Woodson.

SCRep. 906-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 19

The purpose of this measure is to reaffirm Hawaii's, and the nation's, commitment to the well-being of all of its Vietnam veterans by urging Congress to restore the presumption of a service connection for Agent Orange exposure to United States veterans who served in the waters and in the airspace of the Combat Zone in Vietnam to facilitate access to appropriate disability compensation and medical care.

The National Association for Uniformed Services – Hawaii Chapter testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 19 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 907-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 36

The purpose of this measure is to reaffirm Hawaii's, and the nation's, commitment to the well-being of all of its Vietnam veterans by urging Congress to restore the presumption of a service connection for Agent Orange exposure to United States veterans who served in the waters and in the airspace of the Combat Zone in Vietnam to facilitate access to appropriate disability compensation and medical care.

The National Association for Uniformed Services – Hawaii Chapter testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 36 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 908-14 Health on H.C.R. No. 16

The purpose of this measure is to improve access to dental care, particularly for vulnerable and underserved populations, by requesting the Department of Health to:

- (1) Establish a task force to study the potential benefits of teledentistry for vulnerable and underserved populations; and
- (2) Identify barriers to the practice of teledentistry.

The Department of Health, State Council on Developmental Disabilities, and Hawaii Primary Care Association supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style, including amending its title to read:

"REQUESTING THE DEPARTMENT OF HEALTH TO ESTABLISH A TASK FORCE TO STUDY THE POTENTIAL BENEFITS OF TELEDENTISTRY FOR VULNERABLE AND UNDERSERVED POPULATIONS IN THE STATE AND TO IDENTIFY BARRIERS TO THE PRACTICE OF TELEDENTISTRY IN THE STATE."

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 16, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 16, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 909-14 Labor & Public Employment on S.B. No. 1065

The purpose of this measure is to make emergency appropriations to fund salary increases and other collective bargaining cost items for collective bargaining unit (11), as well as its excluded counterparts for fiscal biennium 2013-2015, pursuant to the collective bargaining agreement between public employers and collective bargaining unit (11).

The Department of Budget and Finance; Hawaii Fire Fighters Association, Local 1463, IAFF, ALF-CIO; and an individual provided testimony in support of this measure.

Pursuant to the requirements set forth in Article VII, section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 164 to the Legislature, requests immediate consideration and passage of this bill by the Legislature, citing the necessity of prompt attention to this matter to appropriate funds for collective bargaining cost items in the arbitrated settlement for collective bargaining unit (11) and its excluded counterparts for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1065, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Takumi.

SCRep. 910-14 Finance on H.B. No. 1700

The purpose of this measure is to appropriate supplemental funds for the operating and capital improvement costs for the Executive Branch for fiscal year (FY) July 1, 2014, through June 30, 2015.

In total, this budget appropriates \$6,253,713,052 in general funds and \$12,148,944,589 in all means of financing for FY 2014-2015.

The Office of the Governor; Office of the Lieutenant Governor; Hawaii Paroling Authority; Department of Accounting and General Services; Department of Human Resources Development; Department of Taxation; Department of the Attorney General; State of Hawaii Department of Defense; Department of Land and Natural Resources; Department of Education; Hawaii State Public Library System; University of Hawaii; Department of Agriculture; Department of Public Safety; Department of Transportation; Department of Health; Department of Human Services; Executive Office on Early Learning; Office of Youth Services; Department of Hawaiian Homelands; Agribusiness Development Corporation; Hawaii Housing Finance and Development Corporation; Hawaii County Game Management Advisory Commission; County of Kauai Office of the Prosecuting Attorney; County of Hawaii Office of the Prosecuting Attorney; Chamber of Commerce Hawaii; Kauai Chamber of Commerce; Energy Excelsior; Waikiki Health-Youth Outreach; Three Mountain Alliance; Ben Dyre Family Limited Partnership; Haleakala Ranch; National Wild Turkey Federation; Laupahoehoe Nui, LLC; Hawaii State Bar Association, Hawaii County -- Senior Counsel Division; Hawaii Self Advocacy Advisory Council; Lihue Land Company; Kauai Watershed Alliance; Dole Food Company Hawaii; U.S. Army Garrison-Hawaii Directorate of Public Works; A&B Properties, Inc.; CyberCom, Inc.; Surety Kohala Corporation; Hiipaka LLC – Waimea Valley; Bernice Pauahi Bishop Museum; Hawaii Operating Engineers Industry Stabilization Fund; and numerous individuals testified in support of this measure. The Office of Community Services; State Council of Developmental Disabilities; High Technology Development Corporation; Hawaii Strategic Development Corporation; Office of Planning; State Public Charter School Commission; Department of Budget and Finance; Hawaii Public Housing Authority; Public Utilities Commission; Department of Business, Economic Development and Tourism; Department of Commerce and Consumer Affairs; Hawaii State Commission on the Status of Women; Hawaii Invasive Species Council; Hawaii Health Systems Corporation; Hawaii Tourism Authority; Early Learning Advisory Board; the Healthcare Transformation Coordinator; County of Hawaii Office of Housing and Community Development; the Hawaii County Council Member representing District 3; Nature Conservancy; Sex Abuse Treatment Center; YWCA of Kauai; Child & Family Service; Hawaii Laborers-Employers Cooperation and Education Trust; BoxJelly; Masons Union, Locals #1, IUBAC & #630, OP & CMIA, AFL-CIO; Renewable Ocean Energy, Inc.; Partners in Care; Creative Lab; Enterprise Honolulu; General Contractors Association of Hawaii; Dev League; Imua Design Group LLC; Entrepreneurs Foundation of Hawaii; Ohana Investment Works LLC; Technical Research Associates, Inc.; Ikayzo, Inc.; Spectrum Photonics, Inc.; Makai Ocean Engineering, Inc.; Tapiki LLC; Keahole Point Association; Terasys Technologies; Ikehū, Inc.; Upspring Media, LLC; Hawaii Food Manufacturers Association; 3D Innovations; Orientech; Startup Weekend Hawaii; Enerdigm Ventures; Hawaii Innovation Alliance; Diocese of Honolulu; Hawaii Tech Works; Catholic Charities Hawaii; Hawaii Consortium for Medicine and Health; Hawaii Student Entrepreneurs; Nalukai; Na Pua Noeau; Oceanit Laboratories, Inc.; Hawaii Evolutionary Development; Hawaii Appleseed Center for Law and Economic Justice; Cyanotech Corporation; isisHawaii; Labels That Talk, Ltd.; Advanced Training Solutions; Hawaii Fish Company Inc.; Hui for Excellence in Education; Hyperspective Studios, Inc.; Susannah Wesley Community Center; Hawaii Green Growth; League of Women Voters; Laborers' International Union of North America Local 368; mBloom Ventures LLC; Kamehameha Schools; Hawaii Open Data; Hawaii Construction Alliance; Hawaii Association for the Education of Young Children; KCAA Preschools of Hawaii; Hawaii Public Charter Schools Network; Maui High School Band; PHOCUSED; Hawaii Medical Association; and numerous individuals provided comments on this measure.

STRUCTURAL STABILITY – BUILDING A SOLID FOUNDATION

As stewards of the taxpayers' money, your Committee has an obligation to both spend wisely on today's needs and to ensure that we have enough to be prepared for the challenges of the future. FY 2012-2013 ended with a carryover balance of \$844,000,000. This was a cumulative result of four years of austere budgets, revenue changes, furloughs, and layoffs. Sacrifices were made by everyone—families, businesses, and government.

A year ago, the Legislature and Administration took advantage of the beginnings of a fiscal turnaround, and chose to address structural issues in the financial plan by:

- Tackling an enormous unfunded liability facing the State and dedicating enough money in the biennium and financial plan to ensure 100 percent funding of the actuarially required contribution for the State's Other Post-Employment Benefits obligation within 5 years; and
- Committing to budget reserves of at least \$200,000,000 by the end of FY 2013-2014, growing to over \$270,000,000 by the end of FY 2014-2015.

Your Committee recognizes that the collective effort of many created the current unprecedented surplus. As a result, the State finds itself in a unique position to:

- Continue the work done a year ago in the biennium budget to provide stability to the State's overall financial outlook;
- Strengthen core programs;
- Increase transparency in how taxpayer money is spent; and
- Plan strategically for the long term in the supplemental budget.

In 2007, the State enjoyed a \$780,000,000 surplus, which was used to provide tax relief, tax credits, and funding for various programs. Starting in October 2008, the economy went into a steep recession, now referred to as the Great Recession, and the Legislature needed to address a \$2,100,000,000 deficit over three years. Between 2009 and 2012, large deficits continued to develop in the financial plan as actual revenues failed to meet revenue

projections. During this time, the State relied on tax and fee increases, significant cuts in government programs, and furloughs to balance the budget.

Utilizing the experiences of the past, your Committee finds that signs of slow growth are appearing throughout the economy:

- The Department of Business, Economic Development and Tourism lowered their forecast for economic growth in Hawaii for this year and next due to smaller-than-expected gains in visitor arrivals;
- The Hawaii Tourism Authority recently noted that visitor expenditures in our economy are down by 4.7 percent compared to last year, with visitors to Hawaii spending on average, \$10 less per day;
- Seven months into FY 2013-2014, cumulative general fund tax collections are \$37,500,000 below the same period a year ago; and
- General excise taxes, responsible for more than 50 percent of the state's annual tax revenues, appear to be flat when compared to last year.

Your Committee finds that a significant contributing factor to the current \$844,000,000 surplus is the 9.9 percent rate of revenue growth actually realized by the state in FY 2012-2013. Such rates of growth are unsustainable and unlikely to continue. In fact, economists have consistently predicted much more moderate rates of growth in the coming years.

The University of Hawaii Economic Research Organization and the Department of Business, Economic Development and Tourism acknowledge that Hawaii's economy will continue to grow on a moderate path due to the following factors:

- Tourism growth is limited due to capacity issues;
- The construction industry will need to be a main driver, but uncertainty exists; and
- Employment gains will strengthen as Hawaii's unemployment rate will be better than the national average, and personal income will grow at the national rate.

Considering all these factors, your Committee is cognizant that the current 3.3 percent rate of growth projected by the Council on Revenues may be too high, and has constructed a conservative budget.

The Administration proposed adding approximately \$183,000,000 in general funds to the operating budget and \$287,000,000 in general funds to the capital improvements program (CIP) budget. The budget recommended by your Committee shaves approximately \$53,000,000 in general funds from the operating budget and \$127,000,000 in general funds from the CIP budget proposed by the Administration.

Your Committee tasked itself with assuring that government and the services on which people rely are consistent and sustainable for the long term, and can withstand the cyclical nature of the economy. A sound and far-sighted financial plan and budget will allow the State to operate confidently and plan strategically for the future.

TRANSPARENCY IN BUDGETING

Due to massive budget cuts and various cost-saving restrictions imposed in recent years, budgets have become disconnected from actual needs. Agencies have had to become "creative" in implementing their budgets.

A significant cause of this disconnect is the way in which vacancies and vacation payouts are currently managed by agencies. Rather than solely examining the age of vacancies, agencies were challenged to identify the unbudgeted expenses that cause shortages. As a result, your Committee has begun to identify various discrepancies in funding needs, including:

- Positions which need to be re-described;
- Vacation payout and overtime liabilities;
- Vehicle and equipment turnover issues; and
- Other current expense (utility, repair and maintenance, supply, travel, etc.) shortages.

Vacation payout, the value of accrued vacation earned at the time of retirement, represents a large expense for the State. In FY 2012-2013, the State incurred in excess of \$17,800,000 from vacation payout by all means of financing. These funds are unbudgeted, forcing departments to "find" money from within their appropriation to absorb the costs. Traditionally, departments absorb these costs by holding positions vacant, delaying the hire of additional positions, or transferring funds from other current expenses to cover the vacation payout.

This is not a sound and transparent budgeting process. Instead, your Committee wants to stress that positions allotted by the Legislature should be utilized for staffing. They should not be used for overtime, vacation payout, or equipment. This method misrepresents the true budget picture and may result in a loss of confidence in how government provides its services.

As the dialogue develops, your Committee hopes to shift focus from defending individual positions to identifying why positions are vacant and to assist agencies in developing solutions to fill mission-critical positions. Solutions may involve updating positions to more appropriately reflect current responsibilities, providing additional funding, or abolishing positions no longer deemed essential.

Your Committee acknowledges the Department of Labor and Industrial Relations, Department of Agriculture, Department of Defense, and the Department of the Attorney General for communicating openly and engaging in this process to bring greater predictability, stability, and transparency to their budgets. The changes proposed thus far are a first step, and each solution is unique to the relevant agency and its needs. Your Committee is encouraged by the lines of communication that have opened to accomplish these tasks, and intends to continue engaging in this dialogue with the rest of the state government.

DEPARTMENT HIGHLIGHTS

Department of Agriculture

Hawaii's largest consumer of state agricultural water, the Molokai irrigation system, will receive \$265,000 in revolving funds for much-needed

equipment to maintain this system. The Molokai irrigation system has been financially neglected for many years and has been subject to audit. This new equipment will ensure that the system is effectively operated and maintained.

The Agribusiness Development Corporation has been granted an increase of \$410,000 in the revolving fund ceiling in anticipation of increased expenditures for routine repair and maintenance on new land, infrastructure, and facilities. This will facilitate restoration and revitalization of agricultural lands, including the newly acquired Galbraith lands.

The Rabies Quarantine program is not sustainable under its current special fund structure. Your Committee has converted the entire program to general funds, thereby eliminating the need for the Department to assess increases in fees or rent out its properties to gain rental income in the future to support its programs.

Department of Accounting and General Services

Your Committee supports the Department of Accounting and General Services in its efforts to enhance mission-critical operations. Accordingly, your Committee has provided \$366,846 in general funds to accommodate a more than 30 percent increase in energy and sewer costs incurred by the Maui and Hawaii districts and \$174,142 in general funds and three positions to support school repairs and maintenance on neighbor island districts.

Your Committee has also provided general funds for the following purposes:

- \$102,624 and two positions to support ballot operations;
- \$346,668 additional funds to support an online voter registration system, pursuant to section 11-15.3, HRS; and
- \$1,000,000 to fund a Sports Development Initiative to promote, market, and develop athletic events across the State of Hawaii, with a particular emphasis on professional events at the Aloha Stadium.

Department of the Attorney General

For the past several years, certain critical positions in the Department of the Attorney General were unfunded so the Department begins each fiscal year with a deficit and holds positions vacant to accumulate vacancy savings. Your Committee seeks to remedy this predicament by allocating \$3,275,000 in general funds to fully fund all critical positions in the Department and removing unnecessary positions. It is greatly appreciated that the Department is willing to work with your Committee in order to make its budget more transparent and accurately represent its expenditures. In exchange, your Committee has recommended to abolish 21 positions and funds, resulting in a \$961,703 savings.

The Child Support Enforcement Agency is in the process of implementing a new case management system that will allow the agency to better serve its clients. To support the agency during this transition, your Committee has removed positions that are no longer needed and has allocated 28 positions and \$429,001 in general funds and \$1,266,895 in federal funds.

Department of Business, Economic Development and Tourism

With the passage of the Hawaii Clean Energy Initiative, the State of Hawaii has established an ambitious goal of achieving 70 percent clean energy by the year 2030. The Department of Business, Economic Development and Tourism has established several key initiatives that seek to expedite clean energy development. Your Committee recognizes the need to aggressively pursue renewable and efficient energy alternatives but remains aware of the risk of such endeavors. Therefore, non-recurring funds have been appropriated for these initiatives to ensure that money is not continuously appropriated to ineffective programs.

A one-time appropriation of \$500,000 in special funds has been made to the Energy Excelsior, an energy-focused economic development program that assists developing companies in formulating successful business strategies and attracting investment from state, federal and private institutions. The program has received a \$30,000,000 award from the United States Navy. Additionally, the companies involved in the program have garnered investments totaling \$55,900,000 and created over 400 jobs.

An additional one-time appropriation of \$475,000 in special funds is to support the development of the Oahu-Maui Grid-Tie Project. The funds will be used to contract with a consultant to analyze the submitted requests for proposals using unique simulations that account for a multitude of variables, including power generation, demand forecasts, and operating costs; thus ensuring that the optimal request for proposal is selected.

Establishing strong foreign ties is vital to attract foreign intellect, investment, and spending to Hawaii. Your Committee has approved \$1,094,000 in general funds to support the Department's plan to build connections with Chinese and Taiwanese educational institutions.

Department of Commerce and Consumer Affairs

The Department of Commerce and Consumer Affairs protects consumers by providing fair oversight and regulation to Hawaii's businesses, utility companies, and financial and insurance institutions.

As new federal mandates concerning health care take effect, the Department identified the need to bolster its existing resources and personnel in anticipation of a 60 percent increase in health plan rate filings. Your Committee recognizes the need to have sufficient resources to comply with federal mandates and therefore approved 6 positions and \$481,124 in special funds to analyze and verify that new rate filings comply with Patient Protection and Affordable Care Act regulations.

New federal regulations require Hawaii's post-secondary education institutions to be authorized and reviewed by a state entity by July 1, 2014. The Hawaii Post-Secondary Education Authorization Program, which conducts reviews of schools, does not have sufficient staff to support the anticipated number of schools in need of review. Without authorization by the State, 63,000 students will be ineligible for up to \$283,000,000 in Title IV disbursements, including student loans. Your Committee recognizes the need to make higher education in Hawaii accessible to all students and has approved two positions, \$117,883 in general funds, and \$128,832 in special funds to ensure that Hawaii's post-secondary education institutions are able to be authorized and certified.

Department of Defense

Your Committee fully supports the Department of Defense in its mission to ensure the safety, welfare, and defense of the people of Hawaii. Accordingly, to accommodate rising electricity and utility costs, your Committee has provided \$588,246 in general funds and \$1,764,739 in federal funds to support the Hawaii Air National Guard facility at the Joint Base Pearl Harbour Hickam, and \$629,295 in general funds and \$967,083 in federal funds to support the Hawaii Army National Guard at Kalaeloa.

Your Committee recognizes the need to identify and mitigate situations that may be regarded as hazardous to the health and safety of the public, including rock fall mitigation and has provided \$1,000,000 in general funds for this purpose.

Finally, to support the Hawaii National Guard Youth Challenge Academy, which provides at-risk youth with life-transforming experiences through training under military-like conditions, your Committee has provided \$104,000 in general funds to the Youth Challenge Academy on the island of Hawaii.

Department of Human Services

The Department of Human Services has far-reaching responsibilities regarding the welfare of Hawaii's citizens and has appropriated funds to allow the public access to more timely, efficient, and effective programs.

Your Committee has appropriated \$2,641,996 in general funds to increase general assistance monthly payments to allow temporarily disabled citizens greater self-sufficiency. An additional \$1,500,000 in general funds has been appropriated for the Housing First Program to continue housing the most vulnerable and chronically homeless and to connect them with intensive support services. Your Committee has also added \$3,500,000 in general funds for Child Care Connection Hawaii and First-to-Work child care subsidy programs to reduce out-of-pocket expenses for parents who are attending school or working.

Department of Education

To comply with federal standards regarding school and educator accountability for the 2013-2014 school year, the Department of Education leveraged Race to the Top funds to launch the Strive HI Initiative, which includes programs that provide professional development to teachers and evaluate educator effectiveness.

Your Committee has allocated \$4,658,380 in general funds to support this initiative, including:

- \$1,105,208 for teacher mentoring and professional development;
- \$1,925,472 to support the lowest performing 15 percent of schools;
- \$1,327,700 to evaluate teacher effectiveness and school performance; and
- \$300,000 to facilitate the assignment of salary increases based on teaching effectiveness.

Your Committee commends the Department for providing continuing support to educators, developing a comprehensive metric to evaluate educators and schools, and on using the scores it produces to reward effective teachers. Your Committee looks forward to collaborating with the Department on further improving the metric in order to foster continued professional growth for teachers. However, the Department should show restraint in expending federal grants to launch new programs that require continuous funding because these programs will be at risk if additional federal funds are not leveraged.

Act 51, SLH 2004 decentralized decision-making power in the Department and assigned greater authority, responsibility, and support to principals, especially with regard to budgeting. The role of the Board of Education is to set standards for school and student achievement, while principals have the authority to design a strategy and spend Weighted Student Formula (WSF) funds to meet those standards. The Board does not have the authority to decide how WSF funds are to be spent in schools. Your Committee is concerned that the Board is employing a policy of mandating requirements of schools without providing adequate additional funds. This essentially forces principals to expend WSF funds on specific items. For example, the Board and the DOE recently mandated that all schools purchase a standard set of educational materials to comply with the Common Core Curriculum without allocating additional funding to schools for this purpose; rather, requiring schools to use WSF funds for the new textbooks.

Similarly, the Board and the DOE recently mandated that all elementary schools attain Western Association of Schools and Colleges (WASC) accreditation and the Department requested funds for some of the costs associated with statewide WASC accreditation. Your Committee has found that some principals already utilize WSF funds to attain WASC accreditation. We want to continue to encourage principals to determine what is required for student achievement. Therefore, your Committee has rejected the Department's request of \$482,000 for WASC funding, and instead added that same amount to the WSF funding to continue to direct more decision-making power to the individual schools. Adding the total of \$14,482,086 to the base funding of WSF will provide all principals—and those of small schools in particular—the flexibility to implement strategies to meet the requirements established by the Strive HI Initiative and the standards set by the Board.

The changing age requirement for kindergarten enrollment results in an estimated 5,100 four year olds who will not have access to an early learning program for the 2014-2015 school year. The Office of the Governor requested funding to provide early learning programs through the Department of Education. Your Committee determined that the pre-kindergarten program is more appropriately managed by the Department and has allocated \$3,000,000 for this purpose.

Public Libraries

The Hawaii State Public Library System provides valuable educational resources to the citizens of Hawaii. Due to budget restrictions, public libraries have had to cut back on many services. In recognition of the vital role public libraries play in their communities, your Committee has appropriated general funds to support the following functions:

- \$300,000 for extended public service hours in eight neighbor island libraries;
- \$200,000 for extended security service hours in five neighbor island libraries and three Oahu libraries; and
- \$785,000 to address rising postage and utility costs.

Charter Schools

Your Committee has allocated \$2,140,884 in general funds to the Public Charter School Commission for per-pupil funding based on a projected enrollment of 10,940 students in FY 2014-2015. Your Committee recognizes the work of the Commission and wants to show our commitment toward the Charter Schools, which constitute an important component within our education system. As such, your Committee has increased the Public Charter School Commission's funding by allocating \$205,000 in general funds for administrative expenses of the Commission.

Department of Hawaiian Homelands

Your Committee intends to provide general funds to the Department of Hawaiian Homelands to support its administrative and operating costs, including \$5,070,579 for 93 positions; and \$5,128,629 for the Department's operating expenses.

Your Committee commends the Land Management Division on generating revenues for use by the Department to further its core objectives. As this division is responsible for generating special fund revenue, its expenses are most appropriately funded with those revenues. Therefore, your Committee has provided \$2,509,904 in special funds for salary, fringe benefits, and operating expenses associated with the 20 positions in this division.

Department of Health

The Department of Health, which provides federally mandated services to populations with disabilities, has experienced a shortfall due to an increased number of clients. To address these needs, your Committee has appropriated \$1,537,888 in general funds for the Developmental Disability Division, to provide care to developmentally handicapped individuals; and \$1,432,495 for the Children with Special Health Needs Branch, to provide early intervention services to young children.

The State Laboratories Division is responsible for conducting laboratory tests related to environmental and food safety regulation as well as the identification of unknown pathogens. However, the accomplishment of these responsibilities has been severely limited by outdated equipment. Your Committee has appropriated \$452,000 in general funds for a gas chromatography mass spectrometer (GC-MS) and a matrix assisted laser desorption/ionization time of flight (MALDITOF). Your Committee hopes that this new equipment will vastly improve the Division's capabilities, including increasing the effectiveness and efficiency of laboratory testing.

Your Committee has faced challenges in communicating with the Department of Health regarding certain supplemental budget requests and the financial needs of its programs. Your Committee notes that direct access to specific programs requesting budgetary adjustment was limited, specifically in terms of the ability for your Committee to directly communicate with program leads. Accordingly, your Committee notes that it lacks some of the information and background needed to justify certain Department funding needs. Going forward, in the interests of government transparency, your Committee suggests that Department budget requests, including requests for new positions, should be identified clearly and in a way that can be justified easily.

Your Committee looks forward to open and honest communication with the Department of Health regarding its programs and operational needs to promote the general health and well-being of Hawaii's citizens—ensuring a healthy environment in which the people can live, work, and play.

Hawaii Health Systems Corporation

The Hawaii Health Systems Corporation (HHSC) finds that it is faced with funding shortfalls and will regularly require cash infusions of increasing sums. HHSC has continually faced decreasing reimbursement rates for Medicare and Medicaid, items which make up a large portion of HHSC revenues, while also dealing with increasing overall costs for the provision of medical care. To help alleviate some of these problems, your Committee has appropriated \$22,000,000 to address past due accounts payable.

Department of Labor and Industrial Relations

Your Committee's site visits to the Disability Compensation Division revealed the necessity of an update to the process of filing and processing workers' compensation claims. Therefore, \$1,250,000 was allocated for FY 2014-2015 for the purpose of switching to an electronic case management system for workers' compensation processes and responsibilities. This will increase efficiency, reduce paperwork, provide better customer service, facilitate the well-being of the workers involved, and maintain labor-management relations.

Department of Land and Natural Resources

Your Committee commends the Department in performing studies to determine further courses of action regarding our finite resources. Recognizing the effect that climate change may have on the future of the State, your Committee appropriates \$340,000 in special funds to examine the coastline and project where the sea level will likely be in 40 to 50 years.

Planning, logistics, and operations to restore critical habitats for numerous protected species on Kure Atoll in the Papahānaumokuākea Marine National Monument will be supported by \$250,000 in general funds. The demand on the Division of Aquatic Resources to address pending contested surface water-related case hearings as they relate to in-stream flow standards will be met with two new positions and funds for stream protection and management.

Regarding the International Union for Conservation of Nature's (IUCN) 2016 World Conservation Congress, your Committee has agreed to fund \$2,000,000 of the \$11,500,000 needed to host the meeting in Hawaii, which would be the first time the IUCN Congress will be held in the United States. The rest of the funds, should the IUCN choose Hawaii for the 2016 Congress location, will be raised through other public and private means.

Without positions in the Division of Conservation of Aquatic Resources Enforcement (DOCARE) to enforce the standards adopted by the Legislature, the resources will not be managed according to plan. Your Committee has appropriated \$1,700,000 to enable the department to fill existing vacancies and train and equip the people in these positions. Twelve positions and funds for additional DOCARE enforcement in Maui, Hawaii, and Kauai will help to expand last year's pilot program on Maui. These budget additions will enable the Department to enhance, protect, conserve and manage Hawaii's resources as stewards of a public trust for current and future generations.

Department of Public Safety (PSD)

To support the Department of Public Safety in its mission to maintain public safety through law enforcement and correctional management, your Committee has provided general funds for the following purposes:

- \$1,599,730, in addition to 20 mental health care positions and six adult corrections officers to adhere to nationally accepted health care standards—including mental health care—throughout the Department's facilities statewide. This builds upon the progress to date made by the Department to bring the State into compliance with the Settlement Agreement of 2008 between the United States Department of Justice and the State regarding mental health standards;
- \$592,146 to replace outdated equipment;
- \$148,500 to replace 165 body armor vests;
- \$330,000 to replace aged vehicles and establish a Vehicle Maintenance and Replacement Program; and
- \$130,000 to expand sex offender treatment and assessment services.

Your Committee continues to be concerned with excessive overtime expenditures and reported abuse of leave benefits by employees. Overtime expenditures for FY 2012-2013 amounted to \$7,939,669, which exceeded the budgeted amount of \$1,246,870 by \$6,692,799.

Department of Transportation

Your Committee recognizes that airports provide a vital function to the State and must remain operational at all times as the movement of people to and from our islands is Hawaii's lifeblood. Your Committee supports the Airports Division in its mission, and has funded many of the Airports Division's supplemental budget requests. In particular, \$6,750,000 in special funds is provided to cover increased utility expenses at airports statewide. \$4,000,000 in special funding is provided for runway and taxiway marking rehabilitation to ensure compliance with Federal Aviation Administration regulations.

The Honolulu International Airport is experiencing an increase in international passenger arrivals and its modernization program is in progress. These factors have created an increased demand for Wiki Wiki bus transport at the Honolulu International Airport. Your Committee has provided \$7,359,000 in special funds to the airport to purchase additional Wiki Wiki buses and to pay salaries to additional bus drivers.

For harbors statewide, your Committee has approved \$95,000 in special funds for waterside surveillance camera maintenance and \$717,088 to purchase eight replacement special purpose vehicles. Harbor staff should be commended for maintaining and keeping their equipment operational long beyond their expected lifespan.

Honolulu Harbor is facing challenges complying with stringent Environmental Protection Agency stormwater regulations. To support Harbors' efforts to comply with EPA guidelines, your Committee has appropriated \$3,288,028 in special funds for services, supplies, and six new positions to assist with pollution control, compliance, regulation, planning, and maintenance.

University of Hawaii

The University of Hawaii is a crucial component of Hawaii's public education system but it has struggled in recent years to find an appropriate funding balance for its expenditures in faculty support, educational initiatives, and infrastructure maintenance and repair. Salary increases and restorations have strained the University's tuition and revenue special funds, limited the pursuit of educational initiatives, and contributed to a deferred maintenance backlog. Your Committee recognizes these challenges and has allocated \$33,500,000 in general funds for collective bargaining costs, allowing tuition revenues to be expended on other needs.

Your Committee has appropriated \$14,000,000 in general funds toward restoring University of Hawaii Professional Assembly (UHPA) faculty salaries that were cut in 2009 and 2010. \$19,500,000 in general funds was appropriated to fund 3 percent collective bargaining salary increases for UHPA faculty in FY 2013-2014 and FY 2014-2015. An additional \$6,357,688 in general funds has been appropriated to restore the salaries of Hawaii Government Employees Association and United Public Workers faculty that were furloughed in 2009 and 2010.

As enrollment in the community colleges and UH West Oahu is on the rise, your Committee has allocated general funds to support the University's goal of providing an education that remains consistent in quality despite increased enrollment numbers, including:

- \$1,000,000 in outcome-based funding to provide financial support to community colleges that meet academic performance metrics including the number of degrees awarded, Native Hawaiian graduates, STEM graduates, and Pell Grant recipients.
- \$1,000,000 and 50 permanent faculty positions to support the growth of UH West Oahu with regard to increasing facility maintenance, security coverage, and janitorial and grounds-keeping needs.

Capital Improvement Project Program

Your Committee recommends total appropriations for the 2013-2015 fiscal biennium of \$2,466,396,000 for all means of financing, of which \$787,524,000 is recommended for general obligation and reimbursable general obligation bonds.

The largest areas funded by this budget are:

- \$1,198,112,000 for the Department of Transportation (Airports, Harbors, and Highways);
- \$457,014,000 for the Department of Education;
- \$111,444,000 for the Department of Accounting and General Services; and
- \$135,071,000 for the Department of Human Services.

Your Committee also focused on the Departments of Health; Land and Natural Resources; Business, Economic Development and Tourism; and the University of Hawaii. For many of these departments, numerous projects needed immediate attention in order to maintain adequate health and safety standards. This is illustrated by approval of the following projects:

- \$60,000,000 to the Hawaii Health Systems Corporation;
- \$3,000,000 to the Hawaii State Public Library System;
- \$13,000,000 for the Aloha Stadium; and
- \$5,953,000 to the Department of Health.

Your Committee has also taken the first step toward creating a consolidated state department facility coordinated by the Department of Accounting and General Services, which will increase departmental efficiency and collaboration and will decrease annual private lease expenses. To achieve this end, planning and design funds in the amount of \$15,000,000 were approved for the Liliha Civic Center.

Your Committee has attempted to address the issue of overcrowding prisons by adding \$5,000,000 to the Department of Public Safety's General Administration lump sum appropriation. This will fund the planning and site selection for the relocation and/or expansion of various facilities to address prison capacity.

Your Committee would like to acknowledge its appreciation for the effort and cooperation put forth by all departments in creating the capital improvement component of the budget.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1700, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1700, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee.

SCRep. 911-14 Finance on H.B. No. 1638

The purpose of this measure is to appropriate supplemental funds for the operating and capital improvement costs of the Judicial Branch for Fiscal Year (FY) 2014-2015.

The State of Hawaii Judiciary and Office of the Prosecuting Attorney, County of Hawaii testified in support of this measure. The County of Hawaii Office of the Mayor, West Hawaii Bar Association, Hawaii State Bar Association, PHOCUSED, and an individual provided comments.

Your Committee supports the Judiciary's efforts to increase services to the public and has appropriated the following amounts:

- (1) \$789,000 to the First Circuit for purchase of service contracts to provide essential treatment to adult and juvenile offenders and their victims;
- (2) \$70,000 to the Second Circuit to increase guardian ad litem and legal counsel services for indigent parties;
- (3) \$198,493 and two social worker positions to expand mental health programs that serve clients with serious mental illness or with co-occurring mental health and substance use disorders;
- (4) \$152,788 and two social worker assistant positions to ensure continuation of periodic drug testing of offenders in the Judiciary's project Hawaii's Opportunity Probation with Enforcement Program;
- (5) \$94,900 to replace equipment used to interview children who are victims of or are affected by domestic violence, custody, or safety issues; and
- (6) \$1,700,000 to restructure the budget of the Judiciary to facilitate reclassification of critical positions, eliminate vacancies, and restore operational stability.

Your Committee also recommends total appropriations for the 2013-2015 fiscal biennium of \$54,015,000 in general obligation bonds.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1638, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1638, H.D. 2.

Signed by all members of the Committee.

SCRep. 912-14 Water & Land on S.B. No. 2476

The purpose of this measure is to bring openness and transparency to real estate transactions by requiring that arbitration awards and information supporting and explaining the basis for the awards be recorded as public records in the Bureau of Conveyances, regardless of any agreement otherwise, in arbitration proceedings where a real estate appraiser acts as the arbitrator.

Citizens for Fair Valuation and several concerned citizens submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2476, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cullen, Hanohano, Lee and Thielen.

SCRep. 913-14 Housing on S.B. No. 2269

The purpose of this measure is to meet the social service needs of public housing tenants as well as provide them with life achievement opportunities while furthering the education and experience of social work students by authorizing the Hawaii Public Housing Authority to partner with the Myron B. Thompson School of Social Work at the University of Hawai'i to establish work study programs at public housing and state low-income housing projects.

The Hawaii Public Housing Authority, Community Alliance for Mental Health, United Self Help, and a concerned individual testified in support of this measure. The Myron B. Thompson School of Social Work at the University of Hawai'i supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2269, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 914-14 Health on S.B. No. 2467

The purpose of this measure is to increase access to medical care by conforming the definition of "podiatric medicine" to national standards regarding diagnosis and treatment of the foot and ankle.

The American Podiatric Medical Association, the Board of Directors of Maui Medical Group, Maui Medical Group, Inc., and numerous individuals supported this measure. The Hawaii Medical Board, Hawaii Podiatric Medical Association, Hawaii Medical Association, and several individuals commented on this measure.

Your Committee has amended this bill by:

- (1) Including a provision that will allow qualified podiatric physicians who have completed a 36-month podiatric surgical residency to perform ankle fracture surgery; and
- (2) Making technical, nonsubstantive amendments for the purpose of clarity.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2467, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2467, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Jordan, Oshiro and Woodson.

SCRep. 915-14 Health on S.B. No. 2491

The purpose of this measure is to improve portability for advanced practice registered nurses to practice in multiple states and conform Hawaii law to applicable national standards by clarifying that advanced practice registered nurse "recognition" by the State of Hawaii is equivalent to licensure.

The Board of Nursing, Hawai'i Pacific Health, Hawaii State Center for Nursing, American Association of Nurse Practitioners, Hawaii Association of Professional Nurses, Lanai Community Health Center, and several individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2491 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Jordan, Oshiro and Woodson.

SCRep. 916-14 Housing on S.B. No. 2799

The purpose of this measure is to attract and retain highly qualified individuals to serve as the Executive Director of the Hawaii Housing Finance and Development Corporation by authorizing the Board of Directors of the Hawaii Housing Finance and Development Corporation to set the salary of the Executive Director, not to exceed an unspecified amount.

The Department of Business, Economic Development and Tourism and Hawaii Housing Finance and Development Corporation supported this measure. Sky Ohana opposed this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2799, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 917-14 Economic Development & Business on S.B. No. 2981

The purpose of this measure is to promote and encourage innovation and entrepreneurship in Hawaii by incorporating those ideals into the

policies, objectives, and priority guidelines of the Hawaii State Plan concerning the economy and information technology.

The Department of Business, Economic Development, and Tourism, High Technology Development Corporation, Hawaii Strategic Development Corporation, and The Chamber of Commerce of Hawaii testified in support of this measure. The Department of Commerce and Consumer Affairs supported the intent of this bill.

Your Committee finds that Hawaii must continue to find ways to diversify its economy to ensure long-term economic viability. In order to achieve this important goal, investments must be made in business mentoring and development, and resources must be allocated to attract private-public capital to develop new business industries.

Establishing a framework that prioritizes and coordinates Hawaii's efforts to develop new growth sectors, such as telecommunications and information technology, will encourage innovative activity and entrepreneurship. Promoting and encouraging innovation and entrepreneurial activities will benefit the State and its economy by facilitating the creation of new businesses in Hawaii and attracting investment from outside the State.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2981, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Ito.

SCRep. 918-14 Economic Development & Business on S.B. No. 2399

The purpose of this measure is to improve the health status and meet the growing demand for health care resources of Hawaii's elderly population while stimulating economic growth through innovation in long term care services and products by establishing a geriatric research and technology park to be administered by the Board of Directors of the High Technology Development Corporation.

The Wahiawa Community and Business Association and two concerned individuals testified in support of this measure. The Executive Office on Aging testified in support of the intent of this bill. The Hawaii Housing Finance and Development Corporation and High Technology Development Corporation provided comments.

Hawaii's population is aging. Since 2000, Hawaii's elderly population, those aged sixty-five and older, grew slightly faster than the national growth rate. Since statehood, Hawaii's proportion of elderly to total population has increased three-fold, from roughly five percent in 1960 to fifteen percent in 2012. During this same period, the elderly segment of the nation's population only increased from nine percent to fourteen percent.

With age being the single most important factor in creating the need and demand for health care resources, research and development of long term care products and services is becoming a critical market sector. This provides Hawaii with the opportunity to promote economic growth in the area of long-term care supports and services. The establishment of a geriatric research and technology park will meet the growing need and demand for health care resources for the State's elderly residents while also stimulating and promoting economic growth through innovation in long term care services and products.

While your Committee notes that several Tax Map Key numbers were included in this measure to designate the geographic area that would encompass the geriatric research and technology park, no testimony was received from the landowners of the designated parcels about whether this measure would affect them and to what extent. Upon further investigation, it was discovered that there was some confusion as to the specific area of central Oahu included in the designated parcels. Your Committee further notes that the Tax Map Key numbers may have been placed in the measure to specify the land proposed for development in order to avoid any issues that surfaced during discussions last year regarding the Public Land Development Corporation.

Accordingly, your Committee has amended this measure by deleting references to certain Tax Map Key numbers specifying the parcels that would encompass the development of the geriatric research and technology park.

Should the Committee on Human Services consider holding a hearing on this measure, your Committee respectfully requests that the Committee on Human Services further examine the issue of designating specific parcels of land for the geriatric research and technology park and consider including descriptions of the property, in addition to Tax Map Key numbers, to provide a better understanding of where these parcels are located and who currently owns these parcels.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2399, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2399, S.D. 2, H.D. 1, and be referred to the Committee on Human Services.

Signed by all members of the Committee except Representatives Cachola and Ito.

SCRep. 919-14 Labor & Public Employment on S.B. No. 1038

The purpose of this measure is to:

- (1) Allow a court to decree a forfeiture of all or a portion of the retirement benefits of a member, former member, or retirant of the Employees' Retirement System (ERS) convicted of a felony that the court finds is related to the employment of the member, former member, or retirant by the State or county; and
- (2) Require the ERS to comply with the court order to suspend or deny payment to the member, former member, or retirant.

ERS provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1038, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 920-14 Labor & Public Employment on S.B. No. 2816

The purpose of this measure is to appropriate \$33,500,000, for fiscal year 2014-2015, to fund employment costs for officers and employees within collective bargaining unit (7) and their excluded counterparts.

The Department of Budget and Finance; University of Hawaii; University of Hawaii Professional Assembly; and Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2816, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 921-14 Transportation on S.B. No. 3035

The purpose of this measure is to protect public health and safety, reduce traffic congestion, and improve beach access by authorizing the issuance of general obligation bonds and appropriating the bond revenues for the planning and construction of the realignment of Kamehameha Highway mauka of Laniakea Beach on the North Shore of Oahu.

The Department of Transportation; Department of Land and Natural Resources; Surfrider Foundation; and numerous concerned individuals testified in support of this measure. A concerned individual commented on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3035, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3035, S.D. 1, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 922-14 Transportation on S.B. No. 2761

The purpose of this measure is to enable government agencies to maintain roads where the ownership and jurisdiction are in dispute between the State and the counties by:

- (1) Establishing necessary funding for the maintenance and repair of these roads through the authorization of an additional county surcharge on state tax;
- (2) Specifying that the maintenance or repair of disputed roads by any agency shall not be deemed to be an indication that the agency has assumed ownership or jurisdiction of the disputed road; and
- (3) Allowing the State to quitclaim any interest it has in any disputed road if the county requests title to the disputed road.

The Department of Transportation and a City and County of Honolulu Councilmember testified in support of this measure. Hawaii Association of Realtors testified in opposition to this measure. The Department of Land and Natural Resources, Department of Taxation, Hawaii Association for Justice, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the enabling language establishing an additional county surcharge on state tax, and all relevant references; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the counties already have a possible revenue stream with a nexus to the maintenance and repair of roads through their ability to alter the county fuel tax by resolution, pursuant to section 243-5, Hawaii Revised Statutes, and that this should be taken into consideration should your Committee on Finance deliberate on this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2761, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as

S.B. No. 2761, S.D. 2, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 923-14 Transportation on S.B. No. 3053

The purpose of this measure is to safely integrate the use of unmanned aerial systems by:

- (1) Establishing an advisory board to oversee and manage unmanned aerial systems test site operations;
- (2) Establishing the Hawaii Unmanned Serial Systems Test Site Chief Operating Officer to manage operations of the Hawaii unmanned aerial systems test sites and serve on the Pan-Pacific Unmanned Aerial Systems Test Range Complex Management Team; and
- (3) Appropriating funds to the University of Hawaii for staffing and operating Hawaii's unmanned aerial systems test site activities.

The Department of Transportation; State Department of Defense; Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; Members of the Hawaii Aerospace Advisory Committee; International Ventures Associates; Niihau Ranch LLC; and a few concerned individuals testified in support of this measure. Sky Ohana and one concerned individual testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Establishing the Hawaii Unmanned Aerial Systems Test Site Chief Operating Officer within the University of Hawaii, rather than the University of Hawaii College of Engineering;
- (2) Removing the civil-service exemptions for the Chief Operating Officer and administrative assistant;
- (3) Clarifying the duties of the Chief Operating Officer;
- (4) Specifying that the contracts for services entered into by the Chief Operating Officer are subject to section 103D, Hawaii Revised Statutes;
- (5) Requiring the Chief Operating Officer to submit an annual report to the Legislature detailing the status of work, expenditures, and trends regarding Hawaii's unmanned aerial systems test site;
- (6) Subjecting the Chief Operating Officer to Chapter 84, Hawaii Revised Statutes; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that should your Committee on Finance deliberate on this measure, it include an appropriation of \$170,000 for staffing and operating Hawaii's unmanned aerial systems test site activities.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3053, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3053, S.D. 2, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 924-14 Transportation on S.B. No. 3062

The purpose of this measure is to better utilize valuable and limited harbor property and facilities to meet current and future expansion demands at Honolulu Harbor by requiring the Department of Transportation and the University of Hawaii to complete negotiations and execute an agreement to relocate the University of Hawaii Marine Center and having the existing lease terminated if an agreement is not executed by July 1, 2015.

The Department of Transportation testified in support of this measure. The University of Hawaii System testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date from July 1, 2050, to upon approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the University of Hawaii has funds available from the Research and Training Revolving Fund that can be considered for implementation toward the relocation of the University of Hawaii Marine Center.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3062, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3062, S.D. 1, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 925-14 Transportation on S.B. No. 2436

The purpose of this measure is to create thriving, sustainable communities close to transit by establishing a transit-oriented development advisory committee to make recommendations about sustainable development projects near transit.

The Office of Hawaiian Affairs testified in support of this measure. The Department of the Attorney General and General Contractors Association of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Defining a transit-oriented development zone and its scope; and
- (2) Specifying that the three advisory committee members appointed as individuals live within a 3-mile radius of a transit-oriented development zone.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2436, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2436, S.D. 2, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 926-14 Housing on S.B. No. 2542

The purpose of this measure is to support the development of affordable rental housing by increasing the share of conveyance tax revenues going to the Rental Housing Trust Fund from 30 percent to 50 percent.

The Hawaii Housing Finance and Development Corporation; Hawai'i Appleseed Center for Law and Economic Justice; PHOCUSED; Hawaii Catholic Conference; Partners in Care; Catholic Charities Hawaii; Hawai'i Association of Realtors; Institute for Human Services, Inc.; Community Alliance for Mental Health; United Self Help; and a concerned individual supported this measure. The Building Industry Association of Hawaii opposed this measure. The Department of Budget and Finance, Department of Land and Natural Resources, Tax Foundation of Hawaii, and Chamber of Commerce Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2542, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 927-14 Housing on S.B. No. 651

The purpose of this measure is to prohibit smoking in and around public housing projects, state low-income housing projects under the jurisdiction of the Hawaii Public Housing Authority, and elder or elderly households.

The Department of Health and two concerned individuals testified in support of this measure. The Coalition for a Tobacco-Free Hawai'i and two concerned individuals supported the intent of this measure. The Hawaii Public Housing Authority provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate discussion and to avoid interference with rulemaking activity currently underway by the Hawaii Public Housing Authority.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 651, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 651, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 928-14 Housing on S.B. No. 2265

The purpose of this measure is to increase the supply of public housing units and improve the existing public housing stock in the State by appropriating funds to be expended by the Hawaii Public Housing Authority for these purposes.

The Hawaii Public Housing Authority, Hawai'i Primary Care Association, Community Alliance for Mental Health, and United Self Help provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$50,000,000;
- (2) Directing that the funds to be appropriated shall come from general obligation bonds instead of from the general revenues of the State of Hawaii; and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2265, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2265, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 929-14 Water & Land on S.B. No. 2082

The purpose of this measure is to clarify the authority of the Hawaii Supreme Court to establish and amend fees for the Land Court and for services provided by the Registrar of the Land Court.

The Judiciary submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2082, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano, Kawakami, Say and Thielen.

SCRep. 930-14 Water & Land on S.B. No. 2874

The purpose of this measure is to require that at least one member of the Board of Land and Natural Resources have a background in native Hawaiian traditional and customary practices.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, and one individual.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2874 and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 931-14 Water & Land on S.B. No. 2875

The purpose of this measure is to require the inclusion of a member with a background in native Hawaiian traditional and customary practices on the Endangered Species Recovery Committee of the Department of Land and Natural Resources.

The Department of Land and Natural Resources and one individual submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2875 and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 932-14 Water & Land on S.B. No. 2248

The purpose of this measure is to amend the limitations on State and county liability for activities on public land by:

- (1) Making permanent existing limitations created by Act 82, Session Laws of Hawaii 2003, applicable to improved public lands that are part of State and county park systems, parks, and parkways or the State's trail and access system where signs warn of dangerous natural conditions; and
- (2) Extending limitations to any unimproved public lands where signs warn of dangerous non-natural conditions.

The Department of the Attorney General; Department of Land and Natural Resources; Mountain Bike Hawaii, LLC; Hawaii Paragliding Association; and numerous individuals submitted testimony in support of this measure. The Hawaii Association of Justice submitted testimony in opposition. Several individuals submitted comments.

Your Committee notes that the effects of the liability protections afforded by this measure apply in specified ways based on whether the land is maintained by a public agency. The protections afforded to the state and counties by Act 83, Session Laws of Hawaii 2003, and made permanent by this measure apply to improved public land that is a state or county park, parkway, or included in a park or trail system. For these lands, proper warning signs limit State or county liability for injury caused by dangerous natural conditions.

The extended limitation established by this measure applies to all unimproved public land, regardless of its classification by the State or a county. For these lands, proper warning signs limit public liability for injury caused by dangerous non-natural, that is human-created, conditions. Although the liability limitations are defined differently, in each case they have the effect of limiting the State or a county's liability for injury caused by conditions not

created or caused by the State or county.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2248, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 933-14 Water & Land on S.B. No. 2747

The purpose of this measure is to enable the counties to maintain accurate property maps and records by requiring the Departments of Transportation, Hawaiian Home Lands, and Land and Natural Resources, which are otherwise exempt from county subdivision ordinances, to submit project maps, final orders of condemnation, and recorded deeds and title transfers to county real property assessment administrators.

The Real Property Assessment Division of the County of Maui and a concerned individual submitted testimony in support of this measure. The Department of Transportation, Department of Hawaiian Home Lands, and Department of Land and Natural Resources submitted comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purpose of consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2747, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2747, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Hanohano, Kawakami, Say and Thielen.

SCRep. 934-14 Water & Land on S.B. No. 2876

The purpose of this measure is to propose an amendment to the State Constitution to authorize the issuance of special purpose revenue bonds and use the proceeds from the bonds to assist dam and reservoir owners.

Your Committee received testimony in support of this measure from the Department of Budget and Finance, The Chamber of Commerce of Hawaii, Hawaii Farm Bureau, and Alexander & Baldwin, Inc. Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committee has amended this measure by amending the question to be printed on the ballot to specify that bond proceeds would be used for low interest loans to qualifying dam and reservoir owners for specified facilities improvements.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2876, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2876, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 935-14 Water & Land on S.B. No. 3063

The purpose of this measure is to facilitate conservation of the important cultural, historic, and natural resources found in Waipio Valley on Hawaii Island by:

- (1) Establishing a working group to develop an action plan regarding resource protection and conservation strategies; and
- (2) Appropriating funds to the Department of Land and Natural Resources to purchase land in Waipio Valley.

The Department of Land and Natural Resources submitted testimony in support of this measure. One individual submitted testimony in opposition. Bishop Museum submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3063, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 936-14 Water & Land on S.B. No. 3122

The purpose of this measure is to authorize the Office of Hawaiian Affairs to pursue authorization to conduct residential development and to impose association fees on certain parcels of land in the Kakaako Makai area that were transferred to the Office through Act 15, Session Laws of Hawaii 2012, as part of the settlement of claims related to public trust lands revenues.

The Office of Hawaiian Affairs, Association of Hawaiian Civic Clubs, Hawaiian Affairs Caucus of the Democratic Party of Hawai'i, and several individuals submitted testimony in support of this measure. Kaka'ako United, Ho'okipa Network – Kauai, Hawaii's Thousand Friends, and numerous individuals submitted testimony in opposition to this measure. The Department of the Attorney General and several individuals submitted comments.

Your Committee notes that, based on discussion of this measure, it appears that the State has invested significant funds in infrastructure for the benefit of new development in the Kakaako Makai area. Your Committee further notes that the State's contemporaneous appraisal of the value of the lands in Kakaako Makai transferred to the Office of Hawaiian Affairs pursuant to Act 15, Session Laws of Hawaii 2012, included assumptions that appear to imply that residential development of the area was contemplated at that time.

Your Committee has amended this measure by:

- (1) Inserting blank references for identified parcels of land subject to this measure;
- (2) Inserting a blank number for the height restriction applicable to residential development on certain parcels of land subject to this measure; and
- (3) Making technical, nonsubstantive amendments for the purpose of consistency.

It is the intent of your Committee that the blank value contained in this measure for the height restriction for residential development should not suggest that your Committee supports a higher limit than is currently applicable in this area.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3122, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3122, S.D. 2, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 937-14 Water & Land on S.B. No. 2274

The purpose of this measure is to authorize certain counties to issue Sustainable Living Research Permits that exempt sustainable living research sites that promote sustainable living through renewable fuel and energy generation, provision of water, sewage treatment, organic food production, and shared living situations from otherwise applicable county development and occupancy requirements.

This measure also appropriates funds to the Department of Health to study the health impact of drinking water systems that fall below the threshold of public water systems.

Hawaii Sustainable Communities Alliance, Permaculture Foundation of Hawaii, Na Kanaka Maoli 'O Hawai'i, Haiku Aina Permaculture Initiative, Go Green Culture Foundation, Village Green Society, The Aurora Foundation, Kona Chapter Hawaii Farmers Union United, Hawaii Farmers Union United, Puna Pono Alliance, and many individuals submitted testimony in support of this measure. Several individuals submitted testimony in opposition to this measure. The Department of Agriculture, Office of Planning, Belly Acres, and a few individuals submitted comments.

Your Committee has amended this measure by amending its purpose section to specify that Sustainable Living Research Permits are applicable to sites greater than one and less than fifteen acres in size within agricultural and rural districts in certain counties.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2274, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2274, S.D. 1, H.D. 1, and be referred to the Committee on Energy & Environmental Protection.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.
(Representative Hanohano voted no.)

SCRep. 938-14 Energy & Environmental Protection on S.B. No. 2279

The purpose of this measure is to address and develop proactive solutions to the foreseeable problem of increases in photovoltaic waste by establishing a task force to study the feasibility of creating a recycling program for, and to develop methods to address the expected increase in, photovoltaic waste.

Hawaii Solar Energy Association testified in support of this measure. The Public Utilities Commission and the Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the provision regarding reimbursement for expenses, including travel expenses, incurred by the members of the task force;
- (2) Specifying that the task force shall determine options for removal of photovoltaic waste materials to out-of-state recycling facilities by reviewing underutilized shipping space on outbound freight carriers; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2279, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form

attached hereto as S.B. No. 2279, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 939-14 Energy & Environmental Protection on S.B. No. 2657

The purpose of this measure is to promote and ensure adequate protections for solar energy device consumers by requiring:

- (1) A contractor that installs a solar energy device on a roof that is a common element or limited common element to notify the private entity that installation might affect or void the roofing warranties or guarantees and obtain written approval from the roofing manufacturer and follow written instructions for waterproofing roof penetrations from the roofing manufacturer, unless the private entity forgoes the roofing warranty or guarantee;
- (2) A roofing contractor that waterproofs roof penetrations related to the installation of a solar energy device to honor the roof warranty or guarantee; and
- (3) The solar energy device contractor's standard labor and workmanship warranty to apply to roof penetrations if the contractor waterproofs the penetrations and the roofing contractor's guaranty or roofing manufacturer's warranty is no longer in effect.

Hawaii Solar Energy Association and Roofing Contractors Association of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2657, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 940-14 Water & Land on S.B. No. 2953

The purpose of this measure is to specify the distribution of royalties received from geothermal resources located on lands under the jurisdiction of the Department of Hawaiian Home Lands by allocating 20 percent of royalties received to the county in which the land is located and 20 percent to the Department of Hawaiian Home Lands.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands and the Association of Hawaiian Civic Clubs. The Center for Hawaiian Sovereignty Studies submitted testimony in opposition to this measure. The Office of Hawaiian Affairs submitted comments.

Your Committee finds that the percentage of royalties allocated to the Department of Hawaiian Home Lands from geothermal resources located on the Department's lands should be increased. Since differing allocation amounts have been proposed in the course of the legislative process, your Committee finds it prudent to continue the discussion as to the amount of the increase.

Accordingly, your Committee has amended this measure by inserting a blank amount for the percentage of royalties to be allocated to the Department of Hawaiian Home Lands.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2953, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2953, S.D. 1, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Kawakami, Say and Thielen.

SCRep. 941-14 Human Services on S.B. No. 3034

The purpose of this measure is to build a workforce of highly qualified social workers who will increase the level of child welfare services in Hawaii and improve outcomes for Hawaii's children by making an appropriation to the University of Hawaii to restore the Hawaii Child Welfare Education Collaboration between the Department of Human Services and the Myron B. Thompson School of Social Work at the University of Hawaii.

Your Committee notes that this measure has an effective date of July 1, 2050, which will facilitate further discussion of this measure as it moves through your Committees on Higher Education and Finance.

The National Association of Social Workers and six concerned individuals provided testimony in support of this measure. The Department of Human Services and Myron B. Thompson School of Social Work at the University of Hawaii supported the intent of this measure.

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

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3034, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3034, S.D. 2, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Oshiro and Woodson.

SCRep. 942-14 Human Services on S.B. No. 2441

The purpose of this measure is to:

- (1) Statutorily establish the Resources for Enrichment, Athletics, Culture, and Health (R.E.A.C.H.) Program within the Office of Youth Services to provide after-school programs in public middle and intermediate schools;
- (2) Establish a revolving fund for the administration and operation of the program; and
- (3) Appropriate funds for the program and one full-time position to support the program.

Your Committee notes that this measure has an effective date of July 1, 2050, which will facilitate further discussion as it moves through your Committees on Education and Finance.

The Office of the Lieutenant Governor; Department of Education; Board of Education; Office of Youth Services; Office of Hawaiian Affairs; Hawaii Youth Services Network; Oceanic Time Warner Cable; Hui For Excellence in Education; National Association of Social Workers, Hawaii Chapter; REACH Out Hawaii; After-School All-Stars Hawaii; Moloka'i Middle School; Maui Economic Development Board; Hana High and Elementary School; Washington Middle School; Mililani Middle School; and three concerned individuals provided testimony in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2441, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2441, S.D. 2, H.D. 1, and be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Oshiro and Woodson.

SCRep. 943-14 Human Services on S.B. No. 2234

The purpose of this measure is to ensure that all child care programs meet the health and safety standards of the Department of Human Services by:

- (1) Repealing the Department's licensing exemption for child care programs licensed by the Hawaii Council of Private Schools; and
- (2) Appropriating funds to the Department for the licensing of private child care programs.

Your Committee notes that this measure has an effective date of July 1, 2050, which will facilitate further discussion as it moves through your Committees on Consumer Protection and Commerce and Finance.

The Department of Human Services, Executive Office on Early Learning, and Hawai'i Association for the Education of Young Children provided testimony in support of this measure. The Hawaii Association of Independent Schools provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2234, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2234, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Oshiro and Woodson.

SCRep. 944-14 Human Services on S.B. No. 2846

The purpose of this measure is to enable the Department of Human Services to more effectively administer the Department's programs and better serve poor and vulnerable adults and children statewide by restoring the position of Second Deputy Director of the Department.

Your Committee notes that this measure has an effective date of July 1, 2050, which will facilitate further discussion as this measure moves through your Committees on Labor & Public Employment and Finance.

The Department of Human Services and Department of Human Resources Development supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2846, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2846, S.D. 2, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Oshiro and Woodson.

SCRep. 945-14 Health on S.B. No. 2434

The purpose of this measure is to enhance services for the prevention and treatment of Alzheimer's disease and related dementia by:

- (1) Specifying additional duties for the Alzheimer's Disease and Related Dementia Services Coordinator position; and
- (2) Appropriating funds for Fiscal Year 2014-2015 for establishing a full-time position in the Executive Office on Aging to assist the Coordinator with information and referral, counseling, education, support groups, and safety services.

The Hawaii Primary Care Association; Alzheimer's Association, Aloha Chapter; Zonta Club of Hilo; Community Alliance for Mental Health; United Self Help; and an individual supported this measure. The Executive Office on Aging commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2150, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity.

In response to the Committee's inquiry, your Committee noted that the Executive Office on Aging approximates the cost of the full-time position specified in the measure at \$80,000 plus fringe benefits.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2434, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2434, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 946-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2836

The purpose of this measure is to make permanent the temporary provisions that require counties to issue affordable housing credits for units developed on Hawaiian home lands.

The Department of Hawaiian Home Lands provided testimony in support of this measure. The Department of Planning and Permitting of the City and County of Honolulu and Kauai County Housing Agency provided testimony in opposition to this measure.

Your Committee notes that the City and County of Honolulu and County of Kauai expressed concerns including, among other things, concerns regarding home rule and their ability to apply smart growth principles and consider affordable housing needs near transit-oriented development areas.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2836, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Housing.

Signed by all members of the Committee except Representative Lee.

SCRep. 947-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 3036

The purpose of this measure is to appropriate funds for the University of Hawaii Sea Grant College Program to create a North Shore Beach Management Plan covering Oahu beaches from Sunset Beach to Waimea Bay.

The Department of Design and Construction of the City and County of Honolulu, Sea Grant College Program of the University of Hawaii at Manoa, and several individuals provided testimony in support of this measure. The Department of Land and Natural Resources and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that the North Shore Beach Management Plan shall cover beaches from the Kawailoa to Waiale'e ahupua'a; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that your Committee on Finance consider inserting an appropriation of \$400,000.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3036, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3036, S.D. 2, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representative Lee.

SCRep. 948-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2743

The purpose of this measure is to allocate a portion of state conveyance tax revenues to the Kaho'olawe Rehabilitation Trust Fund to be used for

the long-term rehabilitation and maintenance of the Kaho‘olawe Island Reserve.

The Office of Hawaiian Affairs, Department of Planning of the County of Maui, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and a few individuals provided testimony in support of this measure. The Land Use Research Foundation of Hawaii provided testimony in opposition to this measure. The Department of Land and Natural Resources, Department of Budget and Finance, Kaho‘olawe Island Reserve Commission, Ocean Tourism Coalition, Tax Foundation of Hawaii, Na ‘Ao Koa ‘O Hawai‘i, and a few individuals provided comments on this measure.

Your Committee respectfully requests that your Committee on Finance consider inserting an annual cap amount of \$3,500,000 for conveyance tax revenues allocated to the Trust Fund.

Your Committee notes that the Kaho‘olawe Island Reserve Commission is seeking other funds to sustain itself and believes that the federal government should provide funds to the Kaho‘olawe Island Reserve Commission as it could become a model for other island states.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2743, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Lee.

SCRep. 949-14 Education on S.B. No. 2235

The purpose of this measure is to require each public school student to undergo a physical examination within 12 months before or after attending seventh grade.

The Department of Health, Hawaii Primary Care Association, Kaiser Permanente Hawaii, Hawaii Pacific Health, and a few concerned individuals supported the bill. The Hawaii Medical Service Association supported the intent of the measure. A concerned individual opposed the bill. The Department of Education, Waianae Coast Comprehensive Health Center, and a concerned individual submitted comments.

Your Committee has amended the bill by requiring that each public school student undergo a physical examination within 12 months before attending seventh grade.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2235, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2235, S.D. 2, H.D. 1, and be referred to the Committee on Health.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 950-14 Health on S.B. No. 2472

The purpose of this measure is to improve the regulation of occupational therapists and occupational therapist assistants by:

- (1) Establishing an Occupational Therapy Program and licensing requirements for occupational therapists and occupational therapist assistants; and
- (2) Appropriating funds to implement the Occupational Therapy Program.

The Department of Commerce and Consumer Affairs; American Occupational Therapy Association, Inc.; Occupational Therapy Association of Hawaii; Straub Clinic & Hospital; The Queen's Health Systems; Hawaii Pacific Health; CHART Rehabilitation of Hawaii, Inc.; Ohana Pacific Management Company, Inc.; and numerous individuals testified in support of this measure. An individual provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2472, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2472, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 951-14 Health on S.B. No. 2469

The purpose of this measure is to improve access to health care services in the State by:

- (1) Requiring equivalent insurance reimbursement for services provided by a health care provider to a patient, regardless of whether the service is provided through telehealth or via face-to-face contact between health care provider and patient;
- (2) Clarifying the definition of health care provider for telehealth purposes; and
- (3) Replacing references to "telemedicine" with "telehealth" throughout the Hawaii Revised Statutes.

The Department of Health, State Council on Developmental Disabilities, Hawaii Association of Health Plans, Healthcare Association of Hawaii,

Hawai'i Pacific Health, Hawaii State Center for Nursing, Hawaii Medical Association, American Association of Nurse Practitioners, University of Hawai'i at Manoa School of Nursing & Dental Hygiene, Hawaii Medical Service Association, Hawaii Association of Professional Nurses, and several individuals supported this measure. The Department of Human Services and Hawaii Medical Board commented on this measure.

Your Committee has amended this bill by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2469, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2469, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 952-14 Agriculture on S.B. No. 2294

The purpose of this measure is to provide a reliable irrigation system to ensure that Hawaii's crops receive a steady and dependable supply of water by authorizing the issuance of general obligation bonds in an unspecified amount for capital improvements to irrigation systems and associated agricultural management facilities in the State.

The Hawaii Farm Bureau Federation, Maui County Farm Bureau, Local Food Coalition, Land Use Research Foundation of Hawaii, Hawaii Cattlemen's Council, and Sugarland Growers, Inc. supported this measure. The Department of Agriculture commented on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2294, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 953-14 Labor & Public Employment on S.B. No. 2365

The purpose of this measure is to limit the reimbursement of prescription medications to prevent drug prices from becoming an unreasonable cost driver of health care in workers' compensation and motor vehicle insurance claims, while ensuring the same standard of service and care intended for both injured employees under the workers' compensation law and injured individuals under the motor vehicle insurance law.

The Department of Human Resources Development, Property Casualty Insurers Association of America, and National Association of Mutual Insurance Companies provided testimony in support of this measure. The Department of Labor and Industrial Relations; City and County of Honolulu, Department of Human Resources; The Chamber of Commerce of Hawaii; Hawaii Insurers Council; Hawaii Medical Association; Automated Health Care Solutions; Work Injury Medical Association of Hawaii; and International Longshore & Warehouse Union, Local 142 provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that payment for:
 - (A) Prescription drugs, including repackaged and relabeled drugs;
 - (B) Compounded prescription drugs; and
 - (C) Repackaged, relabeled, or compounded prescription drugs, if the original manufacturer of the underlying drug product used is unknown, not exceed 140 percent of the average wholesale price set by the original manufacturer;
- (2) Specifying that the payment for prescription drugs shall be based on the average wholesale price set by the original manufacturer of the dispensed prescription drug as identified by its National Drug Code and as published in the Red Book: Pharmacy's Fundamental Reference;
- (3) Providing that payment for a prescription drug that is not available at a major retail pharmacy within the State will not be reimbursed;
- (4) Requiring that all pharmaceutical claims, including claims submitted for compounded prescription drugs, include the National Drug Code of the original manufacturer; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee recognizes the concerns of the insurance industry that tying the motor vehicle insurance medical fee schedule to the workers' compensation medical fee schedule will mean that any changes to the latter will affect the former. Because these concerns may involve issues beyond the purview of this measure's title, your Committee notes that these concerns may be better addressed in other measures moving through the legislative process.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2365, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2365, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 954-14 Labor & Public Employment on S.B. No. 2073

The purpose of this measure is to appropriate unspecified amounts for fiscal biennium 2013-2015, to fund salary increases, collective bargaining cost items, Hawaii Employer-Union Health Benefits Trust Fund costs, and other cost adjustments for officers and employees of collective bargaining unit (6) and their excluded counterparts.

The Department of Budget and Finance and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2014, for the purpose of facilitating further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2073, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2073, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 955-14 Labor & Public Employment on S.B. No. 2075

The purpose of this measure is to appropriate unspecified amounts for fiscal biennium 2013-2015, to fund salary increases, collective bargaining cost items, Hawaii Employer-Union Health Benefits Trust Fund costs, and other cost adjustments for officers and employees within collective bargaining unit (14) and their excluded counterparts.

The Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2014, for the purpose of facilitating further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2075, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2075, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 956-14 Human Services on S.B. No. 702

The purpose of this measure is to support the efforts of law enforcement in stopping Internet predators and child pornographers from committing Internet crimes against children by:

- (1) Establishing an Internet Crimes Against Children Fee, which shall be assessed against a defendant for each felony or misdemeanor conviction of internet crimes against children;
- (2) Establishing an Internet Crimes Against Children Special Fund (Special Fund) intended to provide training and equipment for law enforcement agencies investigating and prosecuting such crimes; and
- (3) Making an appropriation to the Special Fund.

Your Committee recognizes the pivotal importance of ongoing and extensive training for law enforcement, which was described in detail in testimony received regarding specialized training topics for law enforcement and the importance of up-to-date technology in tracing the perpetrators of digital crimes against children. Training topics include:

- (1) How to trace an offender through the Internet protocol address;
- (2) Sex offender characteristics;
- (3) Peer-to-peer network investigations;
- (4) Undercover computer chat techniques;
- (5) Knock-and-talk for child pornography offenses;
- (6) How to examine a computer hard-drive without destroying evidence; and
- (7) Interview and interrogation skills.

Because offenders find new and unique digital avenues through which to victimize children, law enforcement must regularly receive updated training to effectively combat changes in high-technology tactics. Your Committee finds these concerns to be compelling, and encourages further discussion and consideration of this measure as it moves through your Committees on Judiciary and Finance.

The Cyberspace Child Protection Campaign, PROTECT, and Sex Abuse Treatment Center supported this measure. The Department of the Attorney General, Office of the Prosecuting Attorney of the County of Hawai'i, and Office of the Prosecuting Attorney of the County of Kaua'i supported the intent of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee agrees with testimony on the importance of giving a crime victim's needs priority over collection of other fines and fees, and has thus amended this measure by:

- (1) Specifying that fees ordered to be paid by the defendant shall be made in the order of priority established under section 706-648, Hawaii Revised Statutes;
- (2) Providing that the court may waive the fee if the defendant is unable to pay;
- (3) Directing the Director of Finance to transmit fees collected by the Clerk of the Court into the Internet Crimes Against Children Special Fund; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 702, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 702, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Oshiro and Woodson.

SCRep. 957-14 Human Services on S.B. No. 2211

The purpose of this measure is to provide safe places where youth can seek shelter from harmful environments and access advice, guidance, programs, and services by:

- (1) Establishing the five year Safe Places for Youth Pilot Program;
- (2) Establishing the Youth Program Coordinator position; and
- (3) Appropriating funds to establish the Youth Program Coordinator position and provide residential options for the Pilot Program.

The Hawaii Youth Services Network, Community Alliance for Mental Health, United Self Help, Hawaii Association for Justice, Planned Parenthood of Hawaii, Partners in Care, Blueprint for Change, PHOCUSED, Hawaii Chapter of the National Association of Social Workers, Enterprise Honolulu, Mental Health America of Hawai'i, and four concerned individuals provided testimony in support of this measure. The Office of Youth Services supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of "young adult" to mean persons of at least 18 but less than 21 years of age;
- (2) Amending the definition of "youth" to mean a person of at least 14 but less than 21 years of age;
- (3) Specifying that the pilot program is intended to serve youth under the age of 21; and
- (4) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2211, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2211, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Oshiro and Woodson.

SCRep. 958-14 Health on S.B. No. 2820

The purpose of this measure is to update Title 24, Hawaii Revised Statutes (HRS), Relating to Insurance, to:

- (1) Conform to the federal Patient Protection and Affordable Care Act by:
 - (A) Prohibiting rescissions of coverage under a health benefit plan in certain circumstances and requiring health carriers to provide notice of rescission of coverage; and
 - (B) Mandating parity between medical and surgical benefits and benefits for alcohol dependency, drug dependence, and mental health treatment services; and
- (2) Clarify that companies with general casualty insurance authority can only write accident and health or sickness insurance as incidental or supplemental coverage;
- (3) Streamline and improve the operations of the Insurance Division by clarifying that retention requirements for tax records for surplus

lines brokers, and independently procured insureds;

- (4) Expand the authority of the Insurance Fraud Investigations Branch to review and take appropriate action on complaints of fraud relating to insurance under Title 24, but excluding workers' compensation insurance;
- (5) Include long—term care insurance as part of limited benefit health insurance;
- (6) Meet the accreditation standards of the National Association of Insurance Commissioners (NAIC) found in Article 11A of Chapter 431, HRS (Business Transacted with Producer Controlled Property/Casualty Insurer), by amending the definition of "licensed insurer" or "insurer" to include risk retention captive insurance companies;
- (7) Require that 80 percent of all investment income on the reserves net of investment manager fees be applied to rate determination and filing of a managed care plan;
- (8) Adopt recommendations from the Drafting Note of the NAIC Health Maintenance Organization Model Act to clarify that the definition of "uncovered expenditures" includes out-of-area services, referral services, and hospital services; and
- (9) Make other housekeeping changes for purposes of clarity, style, and consistency.

The Department of Commerce and Consumer Affairs supported this measure. The American Council of Life Insurers, Hawaii Medical Service Association, and Kaiser Permanente opposed this measure. The Hawaii Substance Abuse Coalition commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting the provision requiring 80 percent of all investment income on the reserves net of investment manager fees to be applied to rate determination and filing of a managed care plan;
- (2) Specifying that if any of the requirements specified in sections in Article 10A of Chapter 431, HRS, as applied to long-term care insurance are in conflict with the provisions of Article 10H of Chapter 431, HRS, the provisions of Article 10H shall govern and control;
- (3) Changing its effective date to July 1, 2150, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2820, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2820, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 959-14 Health on S.B. No. 2227

The purpose of this measure is to enhance patient access to orders for life-sustaining treatment by expanding the range of persons authorized to sign orders for life-sustaining treatment to include advanced practice registered nurses. This includes clarifying amendments that:

- (1) Update references for "physician orders for life-sustaining treatment" to now refer to "provider orders for life-sustaining treatment"; and
- (2) Conform terms used to describe who may sign a provider order for life-sustaining treatment.

The Executive Office on Aging; UH Manoa Nursing; The Queen's Health Systems; Hawaii State Center for Nursing; Healthcare Association of Hawaii; Hawaii Association of Health Plans; Hospice Hawaii; Hawaii Pacific Health; Hawaii Medical Service Association; Hawaii Medical Association; American Association of Nurse Practitioners; Hawaii Association of Professional Nurses; and several individuals testified in support of this measure. The Department of Health; Kokua Mau; and a few individuals provided comments.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2227, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2227, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 960-14 Health on S.B. No. 2054

The purpose of this measure is to ensure the provision of quality health care for all Hawaii residents by requiring health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for treatment of autism spectrum disorders up to a maximum benefit of \$50,000 per year and a maximum lifetime benefit of \$300,000, with adjustments for inflation, beginning after July 1, 2014, for individuals under 21 years of age.

The Department of Health; State Council on Developmental Disabilities; Hawaii Medical Association; Community Alliance for Mental Health;

United Self Help; Autism Behavior Consulting Group, Inc.; Autism Society of Hawaii; Hawaii Disability Rights Center; and numerous individuals supported this measure. Hawaii Medical Service Association and The Chamber of Commerce of Hawaii opposed this measure. The Department of Human Services, Department of Commerce and Consumer Affairs, Department of Budget and Finance, Kaiser Permanente Hawaii, Autism Speaks, Hawaii Association of Health Plans, Easter Seals Hawaii, and two individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Deferring the applicability of autism spectrum disorder benefits and coverage to after December 31, 2015;
- (2) Narrowing the age of eligibility for the treatment of autism spectrum disorders to individuals under nine years of age, rather than individuals under 21 years of age;
- (3) Clarifying the exemptions related to autism spectrum disorder benefits and coverage to exclude non-grandfathered plans in the individual and small group markets that are required to include essential health benefits under the Patient Protection and Affordable Care Act, Public Law 111-148, as amended, or to Medicare supplement, accident-only, specified disease, hospital indemnity, disability income, long-term care, or other limited benefit hospital insurance policies;
- (4) Providing that notwithstanding section 432D-23, Hawaii Revised Statutes, the coverage and benefits for autism spectrum disorders provided by a health maintenance organization apply to all policies, contracts, plans, or agreements issued or renewed in the State by a health maintenance organization after December 31, 2015; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2054, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2054, S.D. 3, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 961-14 Public Safety on S.B. No. 2938

The purpose of this measure is to provide for a more efficient and cost-effective firearms registration process by requiring the Department of the Attorney General, in collaboration with the county police departments, to establish and operate a statewide online firearms registration process that requires no more than two visits to the respective county police station per registration, and appropriating funds for this purpose.

Mulkern Landscaping & Nursery, the National Rifle Association, and numerous concerned individuals supported this measure. The Department of the Attorney General, Maui Police Department, Honolulu Police Department, Injury Prevention Advisory Committee, and Americans for Democratic Action/Hawaii opposed this measure. A few concerned individuals offered comments on the measure.

Your Committee has amended this measure by deleting its contents and inserting provisions that establish a working group to study the feasibility of implementing a statewide online firearms registration process.

Your Committee has also amended this measure by:

- (1) Requiring the working group to review the current firearms registration process, concerns or problems with the current process, and methods to address these concerns or problems in addition to an online registration process;
- (2) Requiring the working group to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2938, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2938, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 962-14 Public Safety on S.B. No. 3103

The purpose of this measure is to provide for fair and equitable means of funding the statewide 911 system by establishing an E911 surcharge similar to the enhanced 911 surcharge imposed on postpaid wireless communications services to be imposed on each retail transaction of prepaid wireless telecommunications service.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Office of Information Management Technology, Enhanced 911 Board; Maui Police Department; Honolulu Police Department; Hawai'i Police Department; Kauai Police Department; T-Mobile USA, Inc.; AT&T; CTIA-The Wireless Association; and the Industry Council for Emergency Response Technologies supported this measure. The Hawaii Food Industry Association opposed this measure. The Department of the Attorney General, Department of Accounting and General Services, and the Tax Foundation of Hawaii offered comments on the measure.

Your Committee has amended this measure by:

- (1) Adding a purpose section;
- (2) Deleting a provision that would have allowed the administering agency to retain up to two per cent of remitted surcharges to cover administrative costs;
- (3) Clarifying that the Department of Accounting and General Services is the administering agency for the surcharge, including by deleting references to "ehawaii.gov";
- (4) Defining "board" as meaning the enhanced 911 board; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Consumer Protection and Commerce deliberate on this measure, your Committee respectfully requests that it further examine the collection of the proposed surcharge and the issues surrounding online purchases, administrative expenses, and other related issues.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3103, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3103, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 963-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 233

The purpose of this measure is to honor the dignity and memory of Queen Liliuokalani by changing the dates inscribed on the Queen Liliuokalani memorial statue, situated on the grounds of the State Capitol Building, to reflect the dates of her coronation and death.

The State Foundation on Culture and the Arts, Association of Hawaiian Civic Clubs, and Sky Ohana testified in support of this measure. The Center for Hawaiian Sovereignty Studies testified in opposition to this bill.

Your Committee has amended this measure by:

- (1) Specifying that the Department of Accounting and General Services shall be responsible for changing the inscription of the dates on the Queen Liliuokalani memorial statue; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 233, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 233, H.D. 1, and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representative McDermott.

SCRep. 964-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 2131

The purpose of this measure is to help expand veterans' educational opportunities and give them the same opportunity that residents have to access the University of Hawaii's educational resources by requiring the Board of Regents of the University of Hawaii to waive the nonresident tuition and fee differential for veterans of the United States Air Force, Army, Coast Guard, Marine Corps, and Navy, who were honorably discharged, regardless of their actual state of residence.

The United States Department of Defense, Chamber of Commerce of Hawaii, National Association for Uniformed Services-Hawaii Chapter, Hawaii Alliance of Student Veterans, and several concerned individuals testified in support of this measure. The Department of the Attorney General, University of Hawaii, and one concerned individual provided comments.

Your Committee notes that, according to the University of Hawaii, initiatives are already underway to assess current institutional policies, programs, and practices, and to recommend that the Board of Regents adopt measures to improve veteran access to the University, including tuition and fee waivers. However, it is unclear exactly what the recommendations will be and whether or not they will be adopted by the Board. Although this process is on-going within the University, your Committee finds that it is necessary to continue discussions on this measure in case the Board does not institute waivers of tuition and fee differentials for honorably discharged veterans.

Accordingly, your Committee has amended this measure by:

- (1) Specifying that the measure shall take effect on July 1, 2050, to promote further discussion of the measure;
- (2) Adding a proviso directing that the measure will not take effect if the Board of Regents of the University of Hawaii adopts specific parameters and conditions for tuition and fee differential support for honorably discharged veterans by August 1, 2014; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2131, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2131, S.D. 2, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Brower, Cachola and McDermott.

SCRep. 965-14 Agriculture on S.B. No. 2455

The purpose of this measure is to support agriculture and enhance opportunities for careers in agriculture by appropriating funds for the University of Hawaii at Manoa's College of Tropical Agriculture and Human Resources to implement and operate a 4-H Program to educate and support youth in agricultural careers.

The Hawaii Farm Bureau Federation, Hawaii Farmers Union United, Hawaii Cattlemen's Council, Local Food Coalition, and two individuals supported this measure. The Department of Agriculture, College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa, and an individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2455, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 966-14 Agriculture on S.B. No. 2241

The purpose of this measure is to protect, sustain, and perpetuate the growing of taro to preserve its cultural significance and revitalize an important food source by prohibiting the Board of Land and Natural Resources (BLNR) in its process of declaring and acquiring development areas from:

- (1) Disturbing existing taro-growing systems, ancient wetland taro lands, or structural elements of ancient taro-growing systems; or
- (2) Acquiring lands and infrastructure used or to be used for wetland taro-growing.

The Office of Hawaiian Affairs, Aha Moku Advisory Committee, Hawaii Farmers Union United, Kona Chapter-Hawaii Farmers Union United, Association of Hawaiian Civic Clubs, Ho'okipa Network-Kauai, PAN, E kupaku ka aina, Waihuena Farm, and a number of concerned individuals supported this bill. The Department of Land and Natural Resources supported the intent of this measure. The Taro Security and Purity Task Force, Ka Lei Maile Alii Hawaiian Civic Club, and several concerned individuals supported this bill with amendments.

Your Committee has amended this measure by:

- (1) With respect to taro-growing lands within BLNR's development areas, clarifying that the restriction imposed on BLNR for its development areas, apply only to wetland taro on undeveloped public lands;
- (2) Providing a definition for "taro lands", making taro lands a specified classification under the BLNR's classification of all public lands, and prohibiting district boundary amendments for such taro lands;
- (3) Adding the retention, restoration, rehabilitation, or improvement of walls, terraces, or supporting structures for lo'i taro fields as a permissible use in the land use agricultural district for lands with a soil productivity rating of class A or B;
- (4) Adding the growth and perpetuation of traditional Hawaiian crops, as an objective of the State Planning Act's policies relating to the agricultural economy;
- (5) Authorizing the Board of Land and Natural Resources, in conjunction with the Taro Security and Purity Task Force, to create an inventory identifying taro lands that would be included in BLNR's taro land classification;
- (6) Adding a savings clause;
- (7) Changing its effective date to upon its approval; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2241, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2241, S.D. 1, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 967-14 Agriculture on S.B. No. 2110

The purpose of this measure is to appropriate an unspecified amount of moneys for the Department of Agriculture to hire three pesticide inspectors, including fringe benefits.

Your Committee received testimony in support of this measure from the Mayor of Kauai County, the Mayor of Maui County, four Kauai County Council Members, the Hawaii Farm Bureau Federation, Planned Parenthood, the Pacific Alliance to Stop Slavery, the Kona Chapter of Hawaii Farmers Union United, Babes Against Biotech, and numerous individuals. The Department of Agriculture and two individuals provided comments on the measure.

Your Committee finds that many Hawaii residents are becoming increasingly concerned about pesticides. Your Committee also finds that the State experienced a significant reduction in force from 2009 through 2010, which resulted in the elimination of a number of personnel positions needed to administer the Hawaii pesticides law. Your Committee believes that by appropriating funds for the hiring of additional personnel, this measure will assist the Department of Agriculture in regulating the use of pesticides in accordance with the Hawaii pesticides law.

Your Committee has amended this measure by:

- (1) Providing that the moneys will be appropriated out of the general revenues of the State rather than the pesticide use revolving fund;
- (2) Authorizing the Department of Agriculture to hire eight new positions rather than three; two for educational outreach and six to supplement the work of inspectors;
- (3) Amending the purpose section by:
 - (A) Clarifying that the reduction in force occurred from 2009 through 2010;
 - (B) Deleting references to restricted use pesticides; and
 - (C) Adding language regarding integrated pest management; and
- (4) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2110, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2110, S.D. 2, H.D. 1, and be referred to the Committee on Energy & Environmental Protection.

Signed by all members of the Committee.

SCRep. 968-14 Agriculture on S.B. No. 2078

The purpose of this measure is to clarify that private agreements contained in condominium documents for condominiums created before, on, or after July 1, 2006, may not restrict agricultural uses and activities on agricultural lands.

Furthermore, for condominiums created after July 1, 2006, this measure requires condominium documents for projects in an agricultural district to state that the documents or projects contain no private restrictions limiting or prohibiting agricultural uses or activities.

Your Committee received testimony in support of this measure from the Department of Agriculture, the Real Estate Commission, Americans for Democratic Action, and the Hawaii Association of Realtors. Comments on the measure were received from the Hawaii Farm Bureau.

Your Committee finds that this measure is necessary to ensure that occupants of agricultural condominiums will not be subject to private limitations or restrictions on crop types, the days and times that farming equipment may be used, or the height and type of vegetation to be used for windbreaks.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2078, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 969-14 Agriculture/Economic Development & Business on S.B. No. 2400

The purpose of this measure is to reduce Hawaii's dependence on imported foods and diversify the agricultural industry.

Specifically, the measure:

- (1) Requires the Agribusiness Development Corporation and University of Hawaii College of Tropical Agriculture and Human Resources to:
 - (A) Identify food and emerging crops that can be grown on lands owned by the Agribusiness Development Corporation;
 - (B) Identify the resources needed to sustain identified food and emerging crops;
 - (C) Design and establish a program to prepare the agricultural workforce to become successful growers and producers; and
 - (D) Report their findings to the Legislature no later than twenty days prior to the convening of the 2015 Regular Session;
- (2) Requires the Agribusiness Development Corporation and the Department of Agriculture to develop a strategy for the lease of state agricultural lands to provide opportunities for farms to maximize production and for the use of state lands, facilities, and infrastructure to maximize agricultural development; and
- (3) Requires the Agribusiness Development Corporation, Department of Agriculture, and University of Hawaii College of Tropical Agriculture and Human Resources to coordinate and provide technical support to farmers regarding food and emerging crops suited to particular areas and to support and cultivate successful agricultural businesses.

The University of Hawaii College of Tropical Agriculture and Human Resources, Hawaii Farm Bureau Federation, Hawaii Farmers Union United, and Hawaii Farmers Union United-Kona Chapter testified in support of the measure.

Your Committees find that support of agriculture in Hawaii will contribute to the long-term development and sustainability of this industry. Accordingly, your Committees believe that the State must coordinate its planning efforts to optimize the use of the State's agricultural resources. In addition, your Committees find that assisting new and existing agricultural businesses by providing appropriate research, educational opportunities, services, and resources related to the identification of emerging crops and food crops will maximize agricultural production.

Your Committees have amended this measure by:

- (1) Inserting provisions in the purpose section to note the goals outlined in the Office of Planning's *Increased Food Security and Food Self-Sufficiency Strategy*;
- (2) Inserting provisions to emphasize that the programs should focus on food and emerging crops;
- (3) Taking out references to assisting new small, mid-size, and large farms;
- (4) Changing the effective date from July 1, 2050, to upon approval; and
- (5) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2400, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2400, S.D. 2, H.D. 1, and be referred to the Committee on Higher Education.

Signed by all members of the Committee.

SCRep. 970-14 Energy & Environmental Protection on S.B. No. 1043

The purpose of this measure as received by your Committee, is to protect consumer interest by authorizing the Public Utilities Commission and Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (Consumer Advocate) to examine all information relating to power purchase agreements under review by the Commission or the Consumer Advocate, including the examination of power purchase agreement-relevant cost information of independent power producers.

For the purposes of a public hearing on this bill, your Committee circulated S.B. No. 1043, H.D. 1 (Proposed Draft), and notified the public that it would be accepting testimony on the Proposed Draft. In addition to authorizing the Commission and the Consumer Advocate to examine all information relating to power purchase agreements under review by the Commission or the Consumer Advocate, the Proposed Draft also establishes the Legislative Utility Review Task Force to review franchises held by investor-owned electric utilities.

A concerned individual testified in support of the Proposed Draft. The Public Utilities Commission; Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Hawaiian Electric Company, Inc.; Hawaiian Electric Light Company; Maui Electric Company; Sandra-Ann Y.H. Wong, AAL, ALC; Life of the Land; Hawaii Renewable Energy Alliance; and a concerned individual commented on the Proposed Draft.

Your Committee considered the merits of both S.B. No. 1043, S.D. 1, as received by your Committee, and the Proposed Draft and upon careful consideration, adopted the Proposed Draft. Your Committee further amended the Proposed Draft by:

- (1) Removing language authorizing the Public Utilities Commission to examine all information relating to power purchase agreements under review by the Commission and the Consumer Advocate; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1043, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1043, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 971-14 Energy & Environmental Protection on S.B. No. 2197

The purpose of this measure is to incentivize renewable energy production that is more responsive to the State's actual needs by:

- (1) Establishing a renewable fuels production tax credit; and
- (2) Repealing the ethanol facility tax credit.

The Hawaii Renewable Energy Alliance; Upcountry Mobile Mechanic Service, LLC; Ulupono Initiative; Renewable Energy Action Coalition of Hawaii; Pacific Biodiesel Technologies; Maui Recycling Services; Blue Planet Foundation; and numerous individuals testified in support of this measure. The Department of Business, Economic Development and Tourism; Department of the Attorney General; Department of Taxation; Tax Foundation of Hawaii; and an individual provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the credit shall be available for a credit period of five consecutive years that begins on or before December 31, 2019;

- (2) Removing the requirement that qualifying renewable fuel be produced from feedstocks transported less than two thousand miles from the point of origin;
- (3) Amending the definition of "renewable feedstocks" to mean feedstock requiring less than one barrel of oil, or its equivalent per ton for harvest and transport;
- (4) Removing the aggregate cap on certified tax credits claimable in a given year;
- (5) Requiring that taxpayers claiming a renewable fuels tax credit complete a survey to assist with data-gathering and analysis of the tax credit's effects; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the definition of "renewable feedstocks" has been amended to ensure feedstock is produced sustainably and fits the definition of renewable.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2197, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2197, S.D. 2, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee.

SCRep. 972-14 Energy & Environmental Protection on S.B. No. 2857

The purpose of this measure is to protect the environment and improve the Electronic Waste and Television Recycling and Recovery Act by extending recycling services to all islands, establishing recycling obligations for manufacturers of electronic devices and televisions based upon the weight of products sold in the State, establishing requirements to meet those obligations, and imposing penalties for noncompliance with recycling obligations and recycling plans.

The Department of Health, Department of Public Works of the County of Kauai, Department of Environmental Management of the County of Hawaii, Ulupono Initiative, and Hawaii Green Growth testified in support of this measure. The Consumer Electronics Association and The Chamber of Commerce Hawaii testified in opposition to this measure. The Department of Environmental Services of the City and County of Honolulu and Retail Merchants of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the manufacturer recycling obligations into recycling goals;
- (2) Specifying requirements in the manufacturer recycling plan that there be at least one collection service in every zip code for counties with a population under 750,000, and at least one collection service in every county district for counties with a population of 750,000 or more, with certain exceptions;
- (3) Changing the frequency of the provision of collection services to a minimum of a scheduled day once a month, regardless of island population;
- (4) Requiring the Department of Health to provide collection services in zip codes or county districts that are not adequately covered by the plan of a manufacturer or group of manufacturers;
- (5) Changing the penalty provisions to a fee that each electronic device and television manufacturer shall be subject to pay to cover the cost of the Department providing a collection service in zip codes or county districts that are not covered by the plan of a manufacturer or group of manufacturers; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2857, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2857, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee.

SCRep. 973-14 Energy & Environmental Protection on S.B. No. 2198

The purpose of this measure is to create a Renewable Fuels Task Force within the Department of Business, Economic Development, and Tourism to perform a feasibility study on:

- (1) Requiring locally produced renewable fuels to account for at least ten per cent of a distributor's annual sales of fuels for motor vehicles;
- (2) Requiring a mixture of up to five percent of locally produced biofuels to be included in purchasable diesel fuels; and
- (3) Locally produced renewable fuels that meet relevant international specifications.

The Department of Business, Economic Development, and Tourism; Pacific Biodiesel Technologies, LLC; and the Alliance of Automobile Manufacturers testified in support of this measure. Hawaii Renewable Energy Alliance commented on this measure.

Your Committee has amended this measure by:

- (1) Appropriating an unspecified amount to support the functions of the Task Force; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Should the House Committees on Economic Development and Business and Finance hear this measure, your Committee respectfully requests consideration of the sum of \$570,000 to support the functions of the task force.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2198, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2198, S.D. 1, H.D. 1, and be referred to the Committee on Economic Development & Business.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 974-14 Energy & Environmental Protection on S.B. No. 632

The purpose of this measure is to protect Hawaii's natural environment through consistent and uniform application of environmental laws by establishing environmental courts as divisions of the State's Circuit Courts to have exclusive, original jurisdiction over all proceedings related to environmental matters.

The Office of Hawaiian Affairs; International Coast Clean-Up; Keep the Hawaiian Islands Beautiful; Outdoor Circle; International Coastal Cleanup; Sky Ohana; Kipahulu Ohana, Inc.; and a concerned individual testified in support of this measure. The Chamber of Commerce Hawaii; General Contractors Association of Hawaii; Land Use Research Foundation of Hawaii; BIA-Hawaii; Hawaii Farm Bureau; and Hawaii Cattlemen's Council testified in opposition to this measure. The Office of Planning and the State of Hawaii Judiciary commented on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 632, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 975-14 Tourism on S.B. No. 3024

The purpose of this measure is to increase financial resources to support conservation and natural resource protection programs in the State. Specifically, this measure:

- (1) Changes from \$3,000,000 to an unspecified sum the amount of excess Transient Accommodations Tax revenues to be allocated to the Special Land and Development Fund, of which an unspecified amount will be allocated to the Conservation and Resources Enforcement Special Fund; and
- (2) Provides that this allocation of the Transient Accommodations Tax revenues be subject to the mutual agreement of the Board of Land and Natural Resources and the Board of Directors of the Hawaii Tourism Authority in accordance with the Hawaii Tourism Authority Strategic Plan, and includes allocations to:
 - (A) The Beach Restoration Special Fund;
 - (B) The State Parks Special Fund;
 - (C) The Hawaii Statewide Trail and Access Program; and
 - (D) The Conservation and Resources Enforcement Special Fund.

The Hawaii Tourism Authority, Marine Conservation Institute, and a few concerned individuals supported this measure. The Department of Budget and Finance, Department of Land and Natural Resources, and the Tax Foundation of Hawaii offered comments on this measure.

Your Committee has amended this measure by specifying that \$3,000,000 of Transient Accommodations Tax revenues be allocated to the Special Land and Development Fund, of which an unspecified amount will be allocated to the Conservation and Resources Enforcement Special Fund.

Your Committee understands that the State of Hawaii is under pressure to find funds that would assist in the planning, development, management, operations, and maintenance of all lands and improvements under the control and management of the Department of Land and Natural Resources.

Although at least one member had serious concerns about charging fees for the use of state parks, your Committee suggests that it would be prudent for the State to consider revenue-generating measures, including user fees, to keep Hawaii's state parks open. Your Committee is concerned that the closure of state parks because of insufficient funding would adversely affect the State's tourism industry.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord

with the intent and purpose of S.B. No. 3024, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3024, S.D. 2, H.D. 1, and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Takai.

SCRep. 976-14 Health on S.B. No. 2031

The purpose of this measure is to improve access to medical supplies and equipment for patients by requiring vendors or suppliers who have been awarded contracts through the Centers for Medicare and Medicaid Services Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program to have a physical presence in the State.

The Queen's Health Systems, Healthcare Association of Hawaii, Rehabilitation Hospital of the Pacific, and several individuals supported this measure. The Department of Human Services, Department of the Attorney General, Hawaii Association of Health Plans, and Hawaii Medical Service Association opposed this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2150, to facilitate continued discussion.

Due to the concerns raised during discussion on this measure, your Committee believes that further consideration and discussion are necessary regarding the requirement that vendors or suppliers have a physical presence in the State to be awarded a contract through the Centers for Medicare and Medicaid Services Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program. Your Committee requests the Department of the Attorney General to provide follow up information to the Committee on Consumer Protection & Commerce on the licensing and in-state requirements for suppliers under the State of Tennessee's Competitive Bidding Program.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2031, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2031, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 977-14 Human Services on S.B. No. 2845

The purpose of this measure is to retain and recruit qualified personnel by allowing the Director of Human Services to appoint and employ certain high level managerial and professional staff, not subject to Chapter 76, Hawaii Revised Statutes, if the Director determines that the services to be performed are unique and essential to the execution of the functions of the state medical assistance programs.

The Department of Human Services testified in support of this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in opposition to this measure.

Your Committee notes that testimony was presented on this measure which expressed concern about allowing the Department of Human Services to appoint certain staff without being subject to Chapter 76, Hawaii Revised Statutes. Your Committee further notes that this measure has an effective date of July 1, 2050, which will allow the opportunity to explore these concerns as the measure moves through your Committees on Labor and Public Employment and Finance.

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

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2845, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2845, S.D. 1, H.D. 1, and be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Oshiro and Woodson.
(Representative Fukumoto voted no.)

SCRep. 978-14 Health on S.B. No. 2495

The purpose of this measure is to:

- (1) Include electronic smoking devices within the definition of "tobacco products" under Chapter 245, Hawaii Revised Statutes (HRS), thereby making:
 - (A) Wholesalers and dealers of electronic smoking devices subject to the same licensing requirements as wholesalers and dealers of cigarettes and other tobacco products; and
 - (B) Retailers of electronic smoking devices subject to the same permitting requirements as retailers of cigarettes and other tobacco products;
- (2) Establish an excise tax on electronic smoking devices of an unspecified percent of the wholesale price of each electronic smoking device kit, electronic smoking device nicotine cartridge, or electronic smoking device nicotine refill sold, used or possessed by a wholesaler or dealer; and
- (3) Prohibit the use of electronic smoking devices in enclosed public areas and other specified locations under Chapter 328J, HRS.

The Department of Health, Hawaii COPD Coalition, American Cancer Society Cancer Action Network, American Heart Association, Coalition for a Tobacco-Free Hawaii, University of Hawaii Student Health Advisory Council, and numerous individuals supported this measure. The Hawaii Smokers Alliance, Retail Merchants of Hawaii, VOLCANO Fine Electronic Cigarettes, X-treme Vapor, and numerous individuals opposed this measure. The Department of Human Resources Development, Department of Taxation, Hawaii Food Industry Association, Tax Foundation of Hawaii, HI Vapor Emporium, and several individuals commented on this measure.

Your Committee has amended this bill by:

- (1) Deleting provisions that:
 - (A) Include electronic smoking devices within the definition of "tobacco products" under Chapter 245, HRS; and
 - (B) Establish an excise tax on electronic smoking devices of an unspecified percent of the wholesale price of each electronic smoking device kit, electronic smoking device nicotine cartridge, or electronic smoking device nicotine refill sold, used or possessed by a wholesaler or dealer; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2495, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2495, S.D. 3, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 979-14 Health on H.C.R. No. 17

The purpose of this measure is to broaden eligibility for Department of Health Developmental Disabilities Division services by requesting the Department of Health Developmental Disabilities Division to establish a task force to review Hawaii's statutory definition of "developmental disabilities."

The Department of Health, State Council on Developmental Disabilities, Hawai'i Self-Advocacy Advisory Council, and an individual supported this measure. The Hawaii Disability Rights Center opposed this measure.

Your Committee has amended this measure by:

- (1) Amending its title to read: "REQUESTING THE DEPARTMENT OF HEALTH DEVELOPMENTAL DISABILITIES DIVISION TO ESTABLISH A TASK FORCE TO REVIEW HAWAII'S STATUTORY DEFINITION OF "DEVELOPMENTAL DISABILITIES";
- (2) Adding language regarding new federally-funded Medicaid programs that can benefit persons with developmental or physical disabilities through different state agencies;
- (3) Specifying issues to be addressed in the task force's review;
- (4) Amending the task force's membership to include individuals with intellectual and developmental disabilities and family members and designated representatives of such individuals; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 17, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 17, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan, Oshiro and Woodson.

SCRep. 980-14 Judiciary on S.B. No. 2118

The purpose of this measure is to make housekeeping amendments to partial public campaign financing laws by:

- (1) Requiring a candidate who has voluntarily agreed to limit campaign expenditures to notify the Office of Elections, rather than the Chief Election Officer, if the candidate exceeds the expenditure limit; and
- (2) Repealing provisions relating to an obsolete tax deduction, including the requirement to notify campaign contributors upon exceeding expenditure limits.

The Department of Taxation, Campaign Spending Commission, and Office of Elections testified in support of this measure.

Your Committee has amended this measure by:

- (1) Reinstating the requirement that candidates who have exceeded the expenditure limit notify all campaign contributors within 30 days of the overage; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2118, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2118, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Ito and Kawakami.

SCRep. 981-14 Judiciary on S.B. No. 2629

The purpose of this measure is to provide greater transparency in lobbying activities by requiring persons who engage in lobbying during any special session to file a statement of expenditures with the Hawaii State Ethics Commission within 30 days after adjournment sine die of the special session.

The Hawaii State Ethics Commission, Common Cause Hawaii, League of Women Voters of Hawaii, and two concerned individuals testified in support of this measure. The Grassroot Institute of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Changing the effective date to take effect upon approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2629, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2629, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Kawakami.

SCRep. 982-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2839

The purpose of this measure is to repeal the directive to amend the Hawaiian Homes Commission Act, 1920, as amended, to accomplish the purposes of Act 195, Session Laws of Hawaii 2011, which created a Native Hawaiian Roll Commission to prepare and maintain a roll of qualified Native Hawaiians in anticipation of the development of a reorganized Native Hawaiian entity.

The Office of Hawaiian Affairs, Department of Hawaiian Home Lands, and the Hawaiian Affairs Caucus of the Democratic Party of Hawaii provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2839, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Lee.

SCRep. 983-14 Health on S.B. No. 2349

The purpose of this measure is to address a statewide community concern and support individuals facing substance abuse and mental health issues by:

- (1) Establishing a statewide pilot program to provide comprehensive treatment services to chronic, substance-dependent adults; and
- (2) Appropriating funds for Fiscal Year 2014-2015 for the pilot program.

The Department of Public Safety, Hawaii Substance Abuse Coalition, Community Alliance on Prisons, Community Alliance for Mental Health, and United Self Help supported this measure. The Department of Health commented on this measure.

Your Committee has amended this bill by:

- (1) Changing its effective date to July 1, 2150, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully notes that, depending on its scope, it will cost from \$200,000 to \$500,000 to successfully initiate the pilot program.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2349, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2349, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 984-14 Health on S.B. No. 2045

The purpose of this measure is to facilitate the early detection of colorectal cancer and to assist individuals who have been diagnosed with colorectal cancer by:

- (1) Establishing a two-year Hawaii Colorectal Cancer Screening Awareness Pilot Project, to be administered by the Department of Health in collaboration with the Department of Human Services, using the Hawaii Comprehensive Breast and Cervical Cancer Control Program as a model;
- (2) Requiring the Department of Health to submit a report to the Legislature prior to the convening of the 2015 Regular Session on the efficacy of the pilot program and the expenditure of funds for the pilot program; and
- (3) Appropriating funds for the first year of the pilot program.

The Department of Health, Hawaii Medical Association, American Cancer Society Cancer Action Network, The Queen's Medical Center, and an individual supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2150, to facilitate further discussion; and
- (2) Making a technical, nonsubstantive amendment for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2045, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2045, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 985-14 Health on S.B. No. 2855

The purpose of this measure is to make an emergency appropriation for the Department of Health, Developmental Disabilities Division, to continue to provide developmental disabilities services to eligible Compact of Free Association adults and children.

Pursuant to article VII, section 9 of the Hawaii State Constitution, the Governor, in Governor's Message No. 189 to the Legislature, requested immediate consideration and passage of this bill by the Legislature to appropriate emergency funds of \$500,000 in general funds needed for ongoing services provided by the Department of Health, Developmental Disabilities Division.

The Department of Health and the State Council on Developmental Disabilities supported this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation in an unspecified amount; and
- (2) Changing its effective date to July 1, 2050, to facilitate further discussion.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests its consideration of an appropriation amount of \$500,000.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2855, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2855, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 986-14 Judiciary on S.B. No. 2634

The purpose of this measure is to promote transparency in lobbying activities by requiring individuals who spend more than \$750 on lobbying during a statement period to itemize each expenditure under certain categories.

The League of Women Voters of Hawaii and two concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding a definition for "lobbying materials";
- (2) Requiring expenditures listed under the category of "other disbursements" to include the amount, date, purpose, and recipient of the disbursement; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2634, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2634, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Creagan, Kawakami and Nakashima.

SCRep. 987-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2330

The purpose of this measure is to amend provisions relating to the Kaneohe Bay Regional Council (Council) by:

- (1) Removing the Superintendent of Education from the Council;
- (2) Deleting the requirement that only a nongovernmental member of the Council be elected as chair;
- (3) Deleting the provision that prohibits a chairperson from serving as chair for more than two consecutive years;
- (4) Requiring the Administrator of the Division of Aquatic Resources of the Department of Land and Natural Resources to serve as the chair of the Council;
- (5) Requiring that the Council hold quarterly public meetings on the status of the implementation of the master plan for the bay; and
- (6) Requiring that the Council submit a report of its findings and recommendations on the applicability and relevance of the powers, duties, and functions of the Council in relation to the statutory amendments of this measure to the Legislature no later than 20 days before the convening of the Regular Session of 2015.

The Aha Moku Advisory Council, Ko'olaupoko Hawaiian Civic Club, Ko'olau Foundation, and a few individuals provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Business, Economic Development, and Tourism and Department of Land and Natural Resources provided comments on this measure.

Your Committee notes that the Department of Land and Natural Resources has suggested that a non-governmental member should serve as Council Chair, rather than the Administrator of the Division of Aquatic Resources.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2330, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Lee.

SCRep. 988-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2678

The purpose of this measure is to appropriate moneys for the Aha Moku Advisory Committee to be expended for administration and community education purposes.

The Aha Moku Advisory Committee, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, The Nature Conservancy, and an individual provided testimony in support of this measure. The Department of Land and Natural Resources provided comments on this measure.

Should your Committee on Finance consider this measure, your Committee respectfully requests that \$110,000 be appropriated to the Aha Moku Advisory Committee with requirements that \$75,000 be expended for administrative costs and \$35,000 be expended for community education purposes.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2678, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 989-14 Consumer Protection & Commerce on S.B. No. 2822

The purpose of this measure is to authorize the Department of Commerce and Consumer Affairs to conduct criminal history record checks on applicants for real estate appraiser licensure.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office and the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs.

Your Committee finds that this measure is necessary to ensure that the real estate appraiser licensure program continues to comply with federal law.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2822, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 990-14 Consumer Protection & Commerce on S.B. No. 2229

The purpose of this measure to enhance the effectiveness of durable powers of attorney.

Specifically, this measure:

- (1) Establishes the Uniform Power of Attorney Act, which defines the levels of authority granted in a power of attorney to the principal's agent, requires an agent to act in good faith and within the scope of authority of a power of attorney, and provides statutory forms that may be used to create a power of attorney; and
- (2) Repeals chapter 551D, Hawaii Revised Statutes, relating to the Uniform Durable Power of Attorney Act.

The Commission to Promote Uniform Legislation, AARP Hawaii, and the Alzheimer's Association, Aloha Chapter, provided testimony in support of the measure. The Executive Office on Aging provided comments.

Your Committee notes that powers of attorney are widely used as a mechanism to effectively plan for incapacity. In order to facilitate the effective use of powers of attorney, Hawaii adopted the Uniform Durable Power of Attorney Act in 1989, which is codified as chapter 551D, Hawaii Revised Statutes. In 2002, a national review of state power of attorney legislation revealed that many states had enacted non-uniform provisions to address issues that were not contemplated in the original Uniform Durable Power of Attorney Act. To promote uniformity on these issues, the Uniform Law Commission of the National Conference of Commissioners on Uniform State Laws developed the Uniform Power of Attorney Act (2006). Your Committee finds that this uniform act codifies state power of attorney legislative trends and collective best practices and strikes a balance between the need for flexibility and acceptance of an agent's authority and the need to prevent and redress financial abuse. Your Committee further finds that this measure is based upon the Uniform Power of Attorney Act, which has currently been enacted in thirteen states and the United States Virgin Islands.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2229, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 991-14 Consumer Protection & Commerce on S.B. No. 2682

The purpose of this measure is to require the financial disclosure statements of the commissioners of the Public Utilities Commission to be made available for public inspection and duplication.

The Hawaii State Ethics Commission and Life of the Land testified in support of this measure. The Public Utilities Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Including members of the Board of Regents of the University of Hawaii and certain other State boards, agencies, and commissions to the list of those whose financial disclosure statements shall be made available for public inspection and duplication; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2682, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2682, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 992-14 Energy & Environmental Protection on S.B. No. 2195

The purpose of this measure is to require the Department of Taxation and the Department of Business, Economic Development, and Tourism to submit a joint, collaborative annual report on the cost and economic benefit to the State of claimed renewable energy tax credits.

Hawaii Solar Energy Association; Hawaii Renewable Energy Alliance; and Ulupono Initiative testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Requiring the Department of Business, Economic Development, and Tourism to conduct an annual electronic survey to gather data regarding the economic benefit of renewable energy tax credits; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2195, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2195, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 993-14 Energy & Environmental Protection on S.B. No. 2756

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Clean Communities, LLC, in financing a project to process sewage to create fuel.

LYON Associates, Inc. testified in support of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2756, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 994-14 Energy & Environmental Protection on S.B. No. 3008

The purpose of this measure is to assist the State in achieving its energy independence goal by authorizing the issuance of special purpose revenue bonds to assist Anaergia Inc., with the development of facilities for renewable fuel energy production on Maui.

Anaergia Services, LLC testified in support of this measure. Sky Ohana and a concerned individual testified in opposition to this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3008, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 995-14 Energy & Environmental Protection on S.B. No. 2749

The purpose of this measure is to conserve the State's water resource supply and address the lack of waste disposal systems by requiring the counties to authorize composting toilets in areas that are inaccessible to municipal wastewater systems.

The Department of Environmental Services of the City and County of Honolulu, County of Maui Council Chair, and a concerned individual testified in opposition to this measure. General Contractors Association of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to January 1, 2962, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2749, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2749, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 996-14 Education on S.B. No. 2288

The purpose of this measure is to amend or repeal various sections of Chapter 302A, Hawaii Revised Statutes, governing the Department of Education that are obsolete; unhelpful to the Department in achieving its core mission; or duplicative of other state or federal statutes, rules, or policies.

The Department of Education supported the bill with amendments. The Department of Budget and Finance submitted comments.

Your Committee has amended this bill by:

- (1) Changing the definition of "charter school" to be consistent with other statutory provisions; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that testimony on this bill pointed out that part of the administrative cost of operating a special fund is borne by the general fund and that the Department of Budget and Finance does not generally support the selective exemption of individual special funds from contributing to central services expenses.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2288, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2288, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 997-14 Education on S.B. No. 2424

The purpose of this measure is to provide air-conditioning in public schools by:

- (1) Requiring the Department of Education and Department of Accounting and General Services, in consultation with the Hawaii State Energy Office of the Department of Business, Economic Development, and Tourism and the Hawaii Natural Energy Institute of the University of Hawaii, to jointly develop a master strategy for cooling all public school facilities and conduct a comprehensive study;
- (2) Requiring the Department of Education and Department of Accounting and General Services to submit a report to the Legislature before the Regular Session of 2015;
- (3) Appropriating funds for the development of the master strategy; and
- (4) Authorizing the issuance of general obligation bonds to fund projects that demonstrate efficient methods to air-condition classrooms.

The Department of Education; Department of Business, Economic Development, and Tourism; Hawaii State Teachers Association; Hui for Excellence in Education; and several concerned individuals supported the bill. IMUAlliance supported the bill with amendments. The Department of Accounting and General Services supported the intent of the measure. A concerned individual opposed the bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2424, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 998-14 Education on S.B. No. 2134

The purpose of this measure is to amend various sections of Chapter 302A, Hawaii Revised Statutes, governing the Department of Education, to comply with the requirements of the federal Individuals with Disabilities Education Act.

The Department of Education, Special Education Advisory Council, Hawaii Disability Rights Center, and a concerned individual supported this bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2134, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 999-14 Education on S.B. No. 2423

The purpose of this measure is to allow schools and classes to participate in fundraising or charitable activities, in conjunction with organizations that are exempt from federal taxes or granted an exemption from registration with the State, as part of a school project when the fundraising or charitable activities benefit student learning pursuant to criteria established by the Department of Education.

The Department of Education, Hawaii State Teachers Association, and two concerned individuals supported the bill. The Hawaii State Ethics Commission submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2423, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 1000-14 Education on S.B. No. 2977

The purpose of this measure is to maximize resources and better meet the growing and changing needs of Hawaii's public school campuses by establishing a five-year pilot program that authorizes the Department of Education to enter into multi-year contracts for the design, planning, and installation of fourth-generation modular-design buildings.

The Department of Education supported the bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2977, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 1001-14 Housing on S.B. No. 2337

The purpose of this measure is to address the need for more affordable housing in Hawaii by providing funding for the low-income housing credit loan program through revenues derived from the issuance of general obligation bonds.

The Hawaii Housing Finance and Development Corporation, General Contractors Association of Hawaii, Pacific Resource Partnership, Hawai'i Primary Care Association, Hawai'i Association of Realtors, Community Alliance for Mental Health, United Self Help, and Sky Ohana supported this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that \$7,800,000 in general obligation bonds may be issued to fund low-income housing tax credit loans; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2337, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2337, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1002-14 Human Services on S.B. No. 2057

The purpose of this measure is to extend and improve the Nursing Facility Sustainability Program, which uses provider fees as matching funds to qualify for increased federal Medicaid provider reimbursement rates, by:

- (1) Continuing the Program for an additional year;
- (2) Exempting the Nursing Facility Sustainability Program Special Fund from the central services expenses assessment; and
- (3) Appropriating funds from the Special Fund as necessary matching funds for increased federal Medicaid funding for fiscal year 2014-2015.

The Department of Human Services, Healthcare Association of Hawaii, Hawaii Long Term Care Association, Chamber of Commerce of Hawaii, Hawai'i Primary Care Association, and Hawaii Health Systems Corporation provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2057, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Creagan.

SCRep. 1003-14 Human Services on S.B. No. 149

The purpose of this measure is to appropriate funds to the Department of Human Services for necessary long-term care services for aging and disabled individuals on Medicaid. The Department of Human Services would then transfer the funds to be expended by the Executive Office on Aging.

The Elderly Affairs Division of the City and County of Honolulu; Catholic Charities Hawai'i; PHOCUSED; Americans for Democratic Action, Hawaii; Community Alliance for Mental Health; United Self Help; Lanakila Pacific; Policy Advisory Board for Elderly Affairs; AARP; and a concerned individual provided testimony in support of this measure. The Department of Human Services, Executive Office on Aging, Maui County Office on Aging, Child and Family Service, and Hawaii Family Caregiver Coalition supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the appropriated funds will enable aging and disabled individuals on Medicaid in the City and County of Honolulu to continue to receive appropriate long-term care services;
- (2) Specifying that the funds will be appropriated to the Department of Human Services, who would then transfer the funds to the Elderly Affairs Division of the City and County of Honolulu instead of the Executive Office on Aging;
- (3) Changing its effective date to July 1, 2080, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 149, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 149, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Creagan.

SCRep. 1004-14 Human Services on S.B. No. 2545

The purpose of this measure is to help children overcome economic barriers and unexpected financial challenges later in life by establishing a Universal Children's Savings Account Program administered by the Department of Budget and Finance.

The Office of Hawaiian Affairs, Blueprint for Change, Hawaii Credit Union League, and several concerned individuals supported this measure.

The Department of Budget and Finance, Hawaiian Community Assets, and Hawaii Jump\$tart Coalition for Personal Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2080, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2545, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2545, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti and Creagan.

SCRep. 1005-14 Water & Land on S.B. No. 2477

The purpose of this measure is to authorize the use of a master certificate of title for common interest communities, which will permit certificates of title for individual units to incorporate by reference the encumbrances on the master certificate of title.

The Department of Land and Natural Resources and an individual testified in support of this measure. An individual provided comments.

Your Committee notes that concerns were raised in testimony on how the proposed measure would function in practice, especially in terms of procedures as they relate to individual certificates, new owner recordation, and tie-ins with the master certificate.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2477, S.D. 1, and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

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

SCRep. 1006-14 Water & Land on S.B. No. 2877

The purpose of this measure is to clarify that no use permit issued to a corporation or other business entity for a state small boat harbor facility may be transferred unless specifically provided by law. This measure also exempts transfers of stock or interest in a corporation or other business entity between immediate family members solely for the purpose of estate planning purposes from paying the passenger-carrying capacity business transfer fee to the Department of Land and Natural Resources.

The Department of Land and Natural Resources provided testimony in support of this measure. The Ocean Tourism Coalition provided comments.

Your Committee has amended this measure by:

- (1) Deleting the definition of the term "control" and inserting and defining the term "controlled group";
- (2) Specifying that a person who is part of a controlled group possessing a valid commercial permit may transfer stock or other interest to another person without terminating the right of the corporation or business entity to retain or renew its commercial permit if the transferee retains 80 percent control of the transferor;
- (3) Exempting transfers of stock or interest in a corporation between spouses or first-generation lineal descendants from paying a passenger-carrying capacity business transfer fee to the Department of Land and Natural Resources rather than simply exempting immediate family members;
- (4) Changing its effective date to July 1, 2112, for the purpose of facilitating further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2877, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2877, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1007-14 Water & Land on S.B. No. 2391

The purpose of this measure is to address recreational land management problems on the island of Oahu by establishing a two-year pilot project within the Department of Land and Natural Resources to identify and implement strategies for the resolution of user conflicts on public recreational lands.

The Department of Land and Natural Resources and an individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Requiring that the Department of Land and Natural Resources, rather than the working group, will choose the recreation area to be designated as the focus of the pilot project; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2391, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2391, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

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

SCRep. 1008-14 Water & Land on S.B. No. 2233

The purpose of this measure is to amend Act 119, Session Laws of Hawaii 2013, as it relates to the voluntary deregistration of fee non-time share interests registered in the land court system. Specifically, this measure:

- (1) Extends the sunset date of Act 119 for an additional two years; and
- (2) Further clarifies the procedures taken after a certificate of title for a fee time share interest is deregistered and marked as canceled by the assistant registrar.

The Department of Land and Natural Resources, Department of Accounting and General Services, and an individual testified in support of this measure. The Judiciary provided comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2233 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

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

SCRep. 1009-14 Water & Land on S.B. No. 3121

The purpose of this measure is to require legislative approval of any exchange of public land for private land by majority vote of both houses of the Legislature.

The Department of Land and Natural Resources commented on this measure.

Your Committee notes this measure's defective effective date, which facilitate the ongoing discussion regarding this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3121, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.
(Representatives Hanohano, Kawakami, Say and Fale voted no.)

SCRep. 1010-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 65

The purpose of this measure is to request the Chairperson of the Board of Land and Natural Resources to establish a task force to assist the Department of Land and Natural Resources in developing rules to ensure greater protection of the State's ocean resources. This measure also requests that the Department of Land and Natural Resources refrain from implementing any rules relating to fishing, gathering, or ocean resources within the coastal areas and nearshore waters of the island of Niihau prior to the task force's submittal of its report.

Hawaii Goes Fishing, Big Island Fisheries Alliance, and several individuals provided testimony in support of this measure. The Puako Community Association, South Kohala Reef Alliance, Kua'aina Ulu 'Auamo, The Nature Conservancy, and a few individuals provided testimony in opposition to this measure. The Department of Land and Natural Resources, Aha Moku Advisory Committee, Ocean Tourism Coalition, and a few individuals provided comments on this measure.

Several matters warrant attention as this measure proceeds through the legislative process. Your Committee notes the Ocean Tourism Coalition's request that a member of the ocean tourism industry be included on the task force. Your Committee further notes concerns raised that this measure establishes a small, politically appointed task force that may have a disproportionate influence on Hawaii's marine rules without direct knowledge of the particular resources, people, or traditions of the communities affected by the rules passed by the Department of Land and Natural Resources. Finally, your Committee notes that the Department of Land and Natural Resources has stated that it already consults with organizations to better manage the State's resources, including the Aha Moku Advisory Committee and that a task force's usefulness is more limited when advising on wide, broad-reaching matters.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 65 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Lee.

SCRep. 1011-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 2620

The purpose of this measure is to increase appreciation for art in Hawaii and broaden the viewing audience, particularly for the Neighbor Islands, by allowing works of art that are acquired using money from the Works of Art Special Fund to be exhibited and maintained in public buildings, including federal, state, and county buildings.

The Mayor of the County of Maui, State Foundation on Culture and the Arts, Honolulu Museum of Art, and a concerned individual testified in support of this measure. The Department of Transportation opposed this bill.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2620, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2620, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1012-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 2742

The purpose of this measure is to provide research and training opportunities for future leaders to address the risks to Hawaii and the Pacific-Asia region from natural and man-made hazards and to develop solutions for sustainable economic growth by establishing the Pacific-Asia Institute for Resilience and Sustainability as a center for studies on environmental sustainability, global leadership, and critical community continuity.

The State Department of Defense, Hawaiian Telcom, ACTT, Referentia Systems Incorporated, Global Partnerships Forum, and a concerned individual testified in support of this measure. The Department of the Attorney General and Office of Planning provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2742, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2742, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1013-14 Consumer Protection & Commerce on S.B. No. 2482

The purpose of this measure is to facilitate the nonjudicial foreclosure process that condominium and homeowner associations may pursue against unit owners who are delinquent in paying association assessments.

Specifically, this measure allows associations who are unable to serve creditors and other interested parties with the notice that initiates the nonjudicial foreclosure process to make service by publication using the same means currently allowed for service upon unit owners.

Your Committee did not receive any testimony on this measure.

Your Committee finds that current law allows condominium and homeowner associations to pursue nonjudicial foreclosure proceedings against a unit owner who has defaulted on the payment of association assessments. The process is initiated by service of notice to the unit owner, creditors with a recorded lien on the unit, and other stakeholders specified in section 667-92(e), Hawaii Revised Statutes. Current law also provides the association with several options if the association is unable to serve all of the parties entitled to receive notice. One of these options allows the association to seek court permission to proceed with the nonjudicial foreclosure by serving notice to the unit owner by publication and posting.

Your Committee also finds that condominium and homeowner associations are not specifically authorized to serve any of the parties other than the unit owner, such as creditors, by publication if they cannot be found, which may prevent the nonjudicial foreclosure from moving forward. At that point, the association may have to pursue foreclosure by judicial proceedings, which involve substantially more time and cost. By specifically allowing associations to serve notice to creditors and other parties by publication, this measure enables associations to continue seeking cost-effective and efficient nonjudicial foreclosures against delinquent unit owners.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2482 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 1014-14 Consumer Protection & Commerce on S.B. No. 2882

The purpose of this measure is to update the Uniform Controlled Substances Act under Chapter 329, Hawaii Revised Statutes, to make it consistent with amendments to federal law on controlled substances, as required under state law.

The Department of Public Safety, Honolulu Police Department, and an individual testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adopting the Department of Public Safety's recommendation to add Alfaxalone to the Schedule IV controlled substances list under section 329-18(c), Hawaii Revised Statutes; and
- (2) Changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2882, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2882, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Cachola, Har and Lee.

SCRep. 1015-14 Labor & Public Employment on S.B. No. 2259

The purpose of this measure is to prohibit parties in the arbitration phase of public sector collective bargaining from including in their final positions any proposals that were not previously submitted in writing before impasse and about which an impasse in bargaining has not been reached.

The Hawaii Fire Fighters Association, Local 1463 and University of Hawaii Professional Assembly provided testimony in support of this measure. The Department of the Attorney General, Department of Budget and Finance, Office of Collective Bargaining, Department of Education, and City and County of Honolulu, Department of Human Resources provided testimony in opposition to this measure. The Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO and United Public Workers, AFSCME, Local 646, AFL-CIO (UPW) provided comments on this measure.

Your Committee has amended this measure by specifying that:

- (1) The final positions submitted by each party shall include only those specific proposals that have been previously submitted in writing to the other party before impasse and about which an impasse in bargaining has been reached; and
- (2) The arbitration panel shall decide whether the final positions submitted are compliant with statutory requirements and which proposals may be considered in the final agreement.

Your Committee is concerned that employers and exclusive representatives of collective bargaining units are apparently unwilling or unable to meet the legislative deadline for finalized collective bargaining agreements of February 1 of any odd year as required under section 89-9, Hawaii Revised Statutes. Your Committee notes that the Legislature specified a deadline of February 1 of each odd year to allow the House of Representatives to thoughtfully deliberate on the State's financial obligations and formulate a meaningful state budget. Beginning the arbitration process when the parties are unable to reach a final position prior to entering into an impasse only serves to further delay the resolution of a collective bargaining agreement. Allowing the final positions of the parties to be set so late in the process further delays the Legislature's ability to accurately plan for its financial obligation. Your Committee further notes that as of today, there are collective bargaining units that have completed the arbitration process over a year after the legislative deadline. Meanwhile, another unit waits for its arbitration process to begin.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2259, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2259, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 1016-14 Labor & Public Employment on S.B. No. 2260

The purpose of this measure is to assist the Department of Labor and Industrial Relations in the enforcement of the prevailing wage law under Chapter 104, Hawaii Revised Statutes, by:

- (1) Clarifying that the effective date of suspension is on the later of the 21st day after the sending of the notification or violation or the issuance of a decision of an appeal;
- (2) Clarifying that the first, second, or third violation refers to each investigation involving one or more projects, rather than each project, in which a contractor has failed to comply;
- (3) Increasing the suspension period from three to five years for a third violation by a person or firm who violates the state law relating to wages and hours of employees on public works;
- (4) Specifying that the suspension for falsification of records or delay or interference with an investigation is immediate for a period of five years; and
- (5) Adding a governmental contracting agency and the general contractor, in the case of a suspended subcontractor, as entities that the Director of Labor and Industrial Relations is required to notify of any suspension order.

The Hawaii Operating Engineers Industry Stabilization Fund; Building Industry Association of Hawaii; Laborers' International Union of North America, Local 368; and Hawaii Laborers-Employers Cooperation and Education Trust provided testimony in opposition to this measure. The Department of Labor and Industrial Relations; the Department of Accounting and General Services, General Contractors Association of Hawaii; and Hawaii Building

and Construction Trades Council, AFL-CIO provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that no provision of the wages and hours of employees on public works law, Chapter 104, Hawaii Revised Statutes, may be in any way contravened or set aside by private contract;
- (2) Amending section 104-1, Hawaii Revised Statutes, by amending the definition of "basic hourly rate", adding a new definition for "contractor", and moving the definition of "public work" from section 104-2, Hawaii Revised Statutes;
- (3) Increasing the penalty for interference or delay with an investigation by the Department of Labor and Industrial Relations to determine compliance with the wages and hours of employees on public works law to \$10,000 per project and \$1,000 per day;
- (4) Specifying that a general contractor shall be secondarily liable for the payment of back wages and penalties assessed against any of the contractors on a public works construction project that remain unpaid on a specified date and specifies notice provisions;
- (5) Specifying that any payment made by the governmental contracting agency shall not be deemed to be a breach of contract and shall not excuse the contractor from completing the project for the contract price and by the contract completion deadline;
- (6) Specifying that a notification of violation shall be final and conclusive unless the contractor files a written notice of appeal with the Director of Labor and Industrial Relations within 21 days after a copy was sent to the contractor;
- (7) Deleting the provision that clarifies that the first, second, or third violation refers to each investigation involving one or more projects, rather than each project, in which a contractor has failed to comply;
- (8) Amending its effective date to apply to contracts entered into after its effective date; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2260, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2260, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 1017-14 Labor & Public Employment on S.B. No. 2420

The purpose of this measure is to promote public safety and information security by:

- (1) Authorizing the counties to conduct criminal history record checks on prospective employees who:
 - (A) Work with children in community-based programs; or
 - (B) Work in fire department or emergency medical services positions that involve contact with vulnerable adults;
- (2) Authorizing the State and the counties to conduct criminal history record checks on employees, prospective employees, volunteers, and contractors whose positions require unescorted access to secured areas and equipment related to a traffic management center;
- (3) Authorizing the counties to conduct criminal history record checks on individuals involved in an agency's information technology operation whose position provides them with access to sensitive or confidential information; and
- (4) Expressly allowing the counties unrestricted inquiry into the criminal history of prospective employees for positions involving the handling of firearms for other than law enforcement purposes, by exempting the counties from restrictions that:
 - (A) Allow these inquiries only after the individual has received a conditional job offer; and
 - (B) Limit these inquiries to the most recent ten-year period.

The Department of Transportation, Department of Human Resources Development, and Department of Human Resources of the City and County of Honolulu provided testimony in support of this measure. The Hawaii Civil Rights Commission provided comments on this measure.

Your Committee notes that a similar measure, H.B. No. 1975, H.D. 1 is being considered by the Senate.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2420, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 1018-14 Labor & Public Employment on S.B. No. 2813

The purpose of this measure is to repeal the limitation on the holding periods for real estate acquired by the Employees' Retirement System through foreclosure, through enforcement of security, or in satisfaction of debts so that it may be held and disposed of like any other investment interest in real property.

The Employees' Retirement System testified in support of this measure.

Your Committee notes that a similar measure, H.B. No. 2264, is currently being considered by the Senate.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2813 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 1019-14 Labor & Public Employment on S.B. No. 2923

The purpose of this measure is to adopt the recommendations made in the Office of the Auditor's Report No. 13-10, *A Report on Methodology for the Department of Labor and Industrial Relations' Workers Compensation Medical Fee Schedule*. Specifically, this measure:

- (1) Requires the Director of Labor and Industrial Relations to update the Workers' Compensation Medical Fee Schedule annually;
- (2) Enables the Director of Labor and Industrial Relations to establish a maximum allowable fee ceiling that exceeds 110 percent of the fees prescribed in the Medicare Resource Based Relative Value Scale for Hawaii;
- (3) Requires the Director of Labor and Industrial Relations to analyze this measure's impact on workers' compensation claimants' access to appropriate treatment and appropriates an unspecified amount to pay for the report due no later than before the 2019 Regular Session;
- (4) Appropriates an unspecified amount for the Department of Labor and Industrial Relations to establish two full-time equivalent positions without regard to Chapter 76, Hawaii Revised Statutes, to implement this measure; and
- (5) Includes a five-year sunset date to provide sufficient time to assess the impact on costs and access to medical treatment for workers' compensation claims.

The Work Injury Medical Association of Hawaii and Hawaii Medical Association provided testimony in support of this measure. The Property Casualty Insurers Association of America, Hawaii Insurers Council, and Chamber of Commerce of Hawaii provided testimony in opposition to this measure. The Department of Labor and Industrial Relations; Department of Human Resources Development; Office of the Auditor; Department of Human Resources of the City and County of Honolulu; National Association of Mutual Insurance Companies; and International Longshore and Warehouse Union, Local 142 provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing the provision that the two new Department of Labor and Industrial Relations positions be established without regard to Chapter 76, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2923, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2923, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ichiyama.

SCRep. 1020-14 Housing on S.B. No. 2533

The purpose of this measure is to address Hawaii's affordable housing needs through the appropriation of funds and the issuance of general obligation bonds.

More specifically, this measure:

- (1) Appropriates moneys to the Hawaii Public Housing Authority to improve the existing public housing stock and increase the supply of public housing units in the State;
- (2) Authorizes the issuance of general obligation bonds for deposit into the rental housing trust fund and the dwelling unit revolving fund and appropriates moneys out of those funds to finance affordable rental housing development and infrastructure development;
- (3) Appropriates moneys to the Hawaii Housing Finance and Development Corporation for the construction of micro apartment housing units;

- (4) Appropriates moneys to the Department of Hawaiian Home Lands for the construction of housing for beneficiaries on Hawaiian home lands; and
- (5) Appropriates moneys to the Hawaii Housing Finance and Development Corporation to build affordable housing projects for veterans.

The Hawaii Public Housing Authority, Hawaii Housing Finance and Development Corporation, Chamber of Commerce of Hawaii, Hawaii Primary Care Association, PHOCUSED, Hawai'i Appleseed Center for Law and Economic Justice, Partners in Care, Community Alliance for Mental Health, United Self Help, Catholic Charities Hawaii, Hawai'i Association of REALTORS, Hawaii Catholic Conference, and a concerned individual provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2533, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 1021-14 Transportation on S.B. No. 2730

The purpose of this measure is to allow foreign drivers license reciprocity in the State by establishing driver's licensing reciprocity privileges between Hawaii and foreign countries under certain conditions and to repeal the current statute regarding the Driver's License Reciprocity Committee.

The Department of Transportation testified in support of this measure. The Department of Customer Services of the City and County of Honolulu commented on this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2730, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Har.

SCRep. 1022-14 Transportation on S.B. No. 2901

The purpose of this measure is to ensure expedient compliance with federal motor carrier safety regulations by amending or deleting statutory provisions containing federal requirements that are currently addressed in the Hawaii Administrative Rules or are otherwise unnecessary.

The Department of Transportation and the Hawaii Transportation Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2901, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 1023-14 Transportation on S.B. No. 2488

The purpose of this measure is to improve pedestrian and vehicular safety by authorizing the issuance of general obligation bonds and appropriating the bond revenues for a traffic signal capital improvement project in Kihei, Maui.

The Department of Transportation testified in opposition to this measure. The Office of Planning commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2040, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the Department of Education, as part of its Land Use District Boundary amendment conditions for the proposed Kihei High School that were approved by the State Land Use Commission on July 29, 2013, received the necessary appropriated funds for development and is required to install a traffic signal system at the intersection, update the traffic impact analysis report, complete a pedestrian route study, and implement mitigation or improvements as recommended in the traffic impact analysis report and pedestrian study in accordance with the Department of Transportation's requirements.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2488, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2488, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 1024-14 Transportation on S.B. No. 2898

The purpose of this measure is to ensure timely compliance with certain federal motor carrier safety regulations by amending or deleting statutes containing federal commercial driver's licensing requirements that are addressed in the Hawaii Administrative Rules.

The Department of Transportation; Department of Customer Services of the City and County of Honolulu; and Hawaii Transportation Association testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2898, S.D. 2, and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representatives Har and Nakashima.

SCRep. 1025-14 Transportation on S.B. No. 2726

The purpose of this measure is to assist farmers and ranchers in their operations while ensuring highway safety by allowing all-terrain vehicles (ATV) and utility-terrain vehicles (UTV) to be driven on streets; provided that:

- (1) The ATV or UTV is:
 - (A) Used as farm equipment;
 - (B) Driven on streets with no more than two lanes and with posted speed limits of no more than 35 miles per hour;
 - (C) Used to travel between properties zoned for agriculture; and
 - (D) Driven on streets during daylight hours;
- (2) The ATV or UTV operator holds a current category (3) license or a commercial driver's license; and
- (3) The ATV or UTV operator and passengers wear safety helmets secured with a chin strap.

This measure also establishes a penalty for a violation.

Hawaii Cattlemen's Council, Inc.; Hawaii Farm Bureau Federation; and the Maui County Farm Bureau testified in support of this measure. The Police Department of the County of Maui testified in opposition to this measure. The Department of Transportation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2726, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 1026-14 Transportation on S.B. No. 2731

The purpose of this measure is to establish a Car-sharing Vehicle Surcharge Tax as follows:

- (1) Defines Car-sharing Organization as a rental motor vehicle lessor operating a membership program in which:
 - (A) Self-service access to a vehicle fleet is provided exclusively to members who have paid a membership fee;
 - (B) Members are charged a usage rate for each use of a vehicle; and
 - (C) Members are not required to enter into a separate written agreement each time the member reserves and uses a vehicle;
- (2) Assesses a Car-sharing Vehicle Surcharge Tax of 50 cents per hour per rental for a car-sharing organization; provided that for each rental of six hours or more, the tax will not exceed \$3 per day;
- (3) Requires car-sharing organizations to be registered pursuant to section 251-3, Hawaii Revised Statutes (HRS), but exempts them from the Rental Motor Vehicle and Tour Vehicle Surcharge Tax pursuant to section 251-2, HRS;
- (4) Exempts rental motor vehicles and tour vehicles from the Car-sharing Vehicle Surcharge Tax; and
- (5) Amends the amount of the one-time registration fee pursuant to section 251-3, HRS.

The Department of Transportation; Department of Planning and Permitting of the City and County of Honolulu; Blue Planet Foundation; Hawaii Bicycling League; EAN Holdings, LLC; Pacific Resource Partnership; car2go; Ulupono Initiative; and several concerned individuals testified in support of this measure. The Department of Health, Office of Planning, Department of Taxation, and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Amending the Car-sharing Vehicle Surcharge Tax to 25 cents per half-hour, or any portion of a half-hour, that a rental motor vehicle is rented or leased by a car-sharing organization;
- (2) Providing that the tax be assessed in a manner as provided for the Rental Motor Vehicle and Tour Vehicle Surcharge Tax;

- (3) Specifying that an organization qualifying as a car-sharing organization that is registered pursuant to section 251-3, HRS, and subject to the Car-sharing Vehicle Surcharge Tax, will not also be subject to the Rental Motor Vehicle and Tour Vehicle Surcharge Tax; provided that any organization registered pursuant to section 251-3, HRS, will be subject to at least one surcharge imposed by chapter 251, HRS;
- (4) Clarifying that the average paid use period for all vehicles provided by a car-sharing organization during any taxable period is six hours or less;
- (5) Removing the amendment to the amount of the one-time registration fee pursuant to section 251-3, HRS;
- (6) Allowing the passing on of the Car-sharing Vehicle Surcharge Tax and Rental Motor Vehicle and Tour Vehicle Surcharge Tax to the payor-organization's members; and
- (7) Making other technical, nonsubstantive amendments for purposes of clarity, style, and consistency.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2731, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2731, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Har.

SCRep. 1027-14 Transportation on S.B. No. 2728

The purpose of this measure is to clarify that the designation of a public trail shall be as provided by law.

The Land Use Research Foundation of Hawaii testified in support of this measure. The Office of Hawaiian Affairs; a Kauai County Councilmember; and a concerned individual testified in opposition to this measure. The Department of Land and Natural Resources and the Department of Transportation commented on this measure.

Your Committee has amended this measure by adopting the amendments proposed by the Department of Land and Natural Resources, which clarified the procedure for acceptance of public trails and state highways by the Board of Land and Natural Resources and the Department of Transportation respectively.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2728, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2728, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Har.

SCRep. 1028-14 Transportation on S.B. No. 2324

The purpose of this measure is to help fund the repair and maintenance of state and county roadways by establishing an annual electric vehicle user fee to be deposited into the state highway fund.

The Department of Transportation testified in support of this measure. The Department of Customer Services of the City and County of Honolulu; Blue Planet Foundation; and several concerned individuals testified in opposition to this measure. The Department of Business, Economic Development, and Tourism; Tax Foundation of Hawaii; and the Alliance of Automobile Manufacturers commented on this measure.

Your Committee has amended this measure by inserting a \$100 amount for the annual electric vehicle user fee.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2324, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2324, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Har.
(Representative Fukumoto voted no.)

SCRep. 1029-14 Health on S.B. No. 2465

The purpose of this measure is to require psychologists in the State to complete a minimum of 18 credit hours of continuing education courses for each licensing renewal biennium, beginning with the 2016 through 2018 biennium.

The Board of Psychology, Hawaii Medical Association, Hawaii Psychological Association, and three individuals testified in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with

the intent and purpose of S.B. No. 2465, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2465, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1030-14 Health on S.B. No. 2501

The purpose of this measure is to make changes to the Board of Dental Examiners in light of changes in dentistry by:

- (1) Changing the name of the "Board of Dental Examiners" to the "Board of Dentistry and Dental Hygiene";
- (2) Retaining the existing Board of Dentistry composition on the newly-established Board of Dentistry and Dental Hygiene (Board) until July 1, 2015, but thereafter:
 - (A) Increasing the total number of members on the Board from 12 members to 13 members;
 - (B) Increasing the number of practicing dental hygienists on the Board from two members to three members; and
 - (C) Requiring that a minimum of one Board member be a practicing dentist with a background in public health dentistry or have a license in community service dentistry; and
- (3) Requiring the Board to develop a conflict of interest policy regarding Board member participation with dental examination companies that may provide examinations for Hawaii dentists, and to submit a report to the Legislature on the status of the policy prior to the 2015 Regular Session.

The Hawaii Dental Hygienists' Association and two individuals supported this measure. The Hawaii Dental Association and three individuals opposed this measure. The Department of Health, Board of Dental Examiners, and three individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting the qualification requirement regarding licensure in community service dentistry for any practicing dentist who serves on the Board; and
- (2) Changing its effective date to July 1, 2014.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2501, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2501, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1031-14 Health on S.B. No. 2819

The purpose of this measure is to assist Hawaii consumers in making informed decisions when purchasing health insurance by requiring:

- (1) All managed care plans to provide health insurance premium information to the Insurance Commissioner upon request; and
- (2) The Insurance Commissioner to publish annually a list of all managed care plans with representative annual premiums for health insurance.

The Department of Commerce and Consumer Affairs, Kaiser Permanente Hawaii, Hawaii Medical Service Association, Hawaii Primary Care Association, and an individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2819 and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1032-14 Tourism on S.B. No. 2431

The purpose of this measure is to enhance the operational effectiveness and efficiency of the Hawaii Tourism Authority (Authority) by making permanent the provisions of Act 58, Session Laws of Hawaii 2004 that:

- (1) Exempts the Authority from the supervision of accounts by the Comptroller;
- (2) Allows the Comptroller to request the Authority to provide information when preparing the Comptroller's annual publication of statements;

- (3) Subjects the Authority to accounting form requirements only with respect to uniform business and accounting forms of statewide use in the State's accounting system;
- (4) Makes the Authority's Executive Director subject to the State's pension and retirement systems and adjusts the Executive Director's compensation package; and
- (5) Allows interest and revenues or receipts derived by the Authority from any project or project agreements to be deposited into the Tourism Special Fund.

The Hawaii Tourism Authority supported this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2431, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana and Takai.

SCRep. 1033-14 Public Safety on S.B. No. 2308

The purpose of this measure is to strengthen families, improve society, reduce recidivism and improve behavior while in prison, and facilitate child development by appropriating funds for programs and services for children of incarcerated parents and to assist inmates with family reunification.

The Department of Public Safety; Office of the Prosecuting Attorney, County of Hawaii; Community Alliance on Prisons; Hawaii Youth Services Network; Witt Counseling Service; and numerous concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2308, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1034-14 Public Safety on S.B. No. 2315

The purpose of this measure is to improve the general welfare of inmates, reduce recidivism, and provide a cost-effective method of enhancing public safety by making an appropriation to provide substance abuse treatment services to inmates of the Halawa Correctional Facility.

Numerous concerned individuals supported this measure. One concerned individual offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2315, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1035-14 Public Safety on S.B. No. 2884

The purpose of this measure is to clarify the responsibilities and duties of the Hawaii Paroling Authority by:

- (1) Requiring that funds disbursed to prison inmates upon discharge or parole be subject to legislative appropriation;
- (2) Prohibiting the Hawaii Paroling Authority from granting early discharge to an inmate or parolee if the inmate is serving any portion of a court-ordered mandatory minimum sentence or the inmate or parolee owes restitution for an unexpired term; and
- (3) Making discretionary the Hawaii Paroling Authority's decision to consider recommending a complete pardon to a prisoner who has been on parole for at least five years.

The Department of Public Safety, Hawaii Paroling Authority, Office of Hawaiian Affairs, Department of the Prosecuting Attorney of the City and County of Honolulu, Community Alliance on Prisons, Witt Counseling Service, and numerous concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2884, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1036-14 Public Safety on S.B. No. 2253

The purpose of this measure is to protect the health, safety, and welfare of the people of Hawaii by strengthening the ability to gather forensic information and evidence from individuals who are legally required to submit a specimen by:

- (1) Creating the offense of refusal or failure to provide specimen for forensic identification in the second degree as a misdemeanor for the negligent or reckless refusal or failure to provide a specimen for forensic identification; and

- (2) Amending the offense of refusal or failure to provide specimen for forensic identification under section 844D-111, Hawaii Revised Statutes, by:
- (A) Changing the name of the offense to refusal or failure to provide specimen for forensic identification in the first degree; and
 - (B) Grading the offense as a class C felony for the intentional or knowing refusal or failure to provide a specimen for forensic identification.

The Department of the Attorney General, Department of Public Safety, and the Honolulu Police Department supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2253, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1037-14 Public Safety on S.B. No. 2021

The purpose of this measure is to protect law enforcement officers and the public by establishing an adequate penalty for an individual who intentionally prevents a law enforcement officer from effecting an arrest by removing or attempting to remove a firearm from the law enforcement officer. Specifically, this measure:

- (1) Establishes the offense of resisting arrest in the first degree as a class C felony if a person intentionally prevents a law enforcement officer acting under color of the law enforcement officer's official authority from effecting an arrest by removing or attempting to remove a firearm from the person of a law enforcement officer; and
- (2) Amends the existing resisting arrest offense to resisting arrest in the second degree.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, and the Honolulu Police Department supported this measure.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2021, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1038-14 Public Safety on S.B. No. 2936

The purpose of this measure is to establish a working group to analyze the capitol district security infrastructure and develop a plan for an integrated camera surveillance system covering the State Capitol, Washington Place, the Governor's residence, Iolani Palace, the Hawaii State Art Museum, the Hawaii State Library, the Kalanimoku and Aliiolani Hale buildings, and the first district court building.

The Department of Public Safety, Office of Information Management and Technology, and the Department of Accounting and General Services supported this measure. The American Civil Liberties Union of Hawaii and a concerned individual opposed this measure.

Your Committee has amended this measure by adding to the working group a community advocate to be appointed by the Governor who shall be responsible for collecting, relaying, and resolving public concerns related to camera surveillance.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2936, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2936, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1039-14 Water & Land on S.B. No. 3090

The purpose of this measure is to appropriate general funds to the Department of Land and Natural Resources to implement a statewide hunter education program and develop shooting ranges.

The Department of Land and Natural Resources and National Rifle Association submitted testimony in support of this measure. Animal Rights Hawaii submitted testimony in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3090, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1040-14 Water & Land on S.B. No. 2542

The purpose of this measure is to restore funding of the Rental Housing Trust Fund to its pre-recession level by restoring the allocation of 50 percent of Conveyance Tax revenues to the Trust Fund.

The Hawaii Housing Finance and Development Corporation, Catholic Charities Hawaii, Partners in Care, Hawai'i Appleseed Center for Law and Economic Justice, and PHOCUSED submitted testimony in support of this measure. The Chamber of Commerce of Hawaii and Building Industry Association of Hawaii submitted testimony in opposition to this measure. The Department of Land and Natural Resources and Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2542, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1041-14 Water & Land on S.B. No. 2743

The purpose of this measure is to allocate a portion of conveyance tax revenues to the Kaho'olawe Rehabilitation Trust Fund to fund long-term rehabilitation and planning for the Kaho'olawe Island Reserve.

The Kaho'olawe Island Reserve Commission, Department of Planning of the County of Maui, and several individuals submitted testimony in support of this measure. The Department of Land and Natural Resources and Tax Foundation of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2743, S.D. 2, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1042-14 Water & Land on S.B. No. 2078

The purpose of this measure is to clarify that the prohibition on private restrictions on agricultural uses and activities under current law applies to restrictions contained in condominium documents.

The Department of Agriculture, the Hawaii Real Estate Commission, and Hawaii Farm Bureau Foundation submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2078, S.D. 1, and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1043-14 Water & Land on S.B. No. 3026

The purpose of this measure is to authorize the issuance of general obligation bonds to finance the design, plans, and construction of more efficient irrigation and livestock water distribution systems, including storage reservoirs and a water collection system, for the Waimea-Paauilo Watershed Project on the Island of Hawaii.

The Department of Agriculture and Ulupono Initiative submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3026, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1044-14 Water & Land on S.B. No. 3065

The purpose of this measure is to appropriate funds for the Department of Budget and Finance to investigate and, if appropriate, execute an exchange of existing state land for certain parcels of land currently owned by Dole Food Company, Inc., and that contain important watershed, forest reserve, and agricultural land.

The Hawaii Farm Bureau, Wahiawa Community and Business Association, Dole Food Company Hawai'i, and several individuals submitted testimony in support of this measure. The Department of Agriculture, Department of Land and Natural Resources, and The Chamber of Commerce of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3065, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1045-14 Human Services on S.B. No. 2687

The purpose of this measure is to enable victims who were subjected to sexual offenses as a minor to hold perpetrators of sexual offenses civilly accountable for their acts. Specifically, this measure:

- (1) Permits victims of child sexual abuse that occurred in Hawaii who have been barred from filing suit against their abusers by virtue of the expiration of the former civil statute of limitations to file those claims in the circuit courts at any time so long as the victim has not attained the age of 55 at the time of filing;
- (2) Specifies that civil damages be awarded to a victim if there is a finding of negligence rather than gross negligence; and
- (3) Prohibits the court, plaintiff, or certain individuals from being required to disclose the contents of a sealed certificate of merit that is filed with a court.

The Hawaii State Commission on the Status of Women, Hawaii Women's Coalition, Democratic Party of Hawai'i Gay Lesbian Bisexual and Transgender Caucus, National Center for Victims of Crime, Sex Abuse Treatment Center, MaleSurvivor, Survivors Network of those Abused by Priests, and eleven concerned individuals provided testimony in support of this measure. The Department of the Attorney General and Hawaii Catholic Conference testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Allowing a civil claim to be filed regardless of the age of the victim at the time of filing;
- (2) Changing its effective date to July 1, 2080, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee encourages further discussion of this measure and the important issues it seeks to address as it proceeds to your Committee on Finance, and through the legislative process.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2687, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2687, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Creagan.

SCRep. 1046-14 Energy & Environmental Protection on S.B. No. 2858

The purpose of this measure is to promote the use of environmental information systems and new management innovations by establishing the Environmental Information Management Office within the Department of Health.

The Department of Business, Economic Development, and Tourism; Office of Environmental Quality Control; Department of Transportation; and three concerned individuals testified in support of this measure. The Department of Health and Chamber of Commerce Hawaii commented on this measure.

Your Committee has amended this measure by making the civil service exemption for the environmental information management office manager expire on July 1, 2017, and removing the civil service exemption for the environmental information management office staff positions.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2858, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2858, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Hanohano.
(Representative Fale voted no.)

SCRep. 1047-14 Education on S.B. No. 2516

The purpose of this measure is to support facilities funding for charter schools by:

- (1) Appropriating funds to the State Public Charter School Commission to support its facilities pilot project, based, in part, on the need and performance of charter schools; and
- (2) Requiring annual reports by the Commission to the Legislature for the duration of the pilot project.

The State Public Charter School Commission, Hawaii Public Charter Schools Network, Hawaiian Educational Council, and many concerned individuals supported the bill. Kamehameha Schools and a concerned individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2516, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1048-14 Education on S.B. No. 2421

The purpose of this measure is to improve public education in Hawaii by:

- (1) Reestablishing interagency working groups based on Act 51, Session Laws of Hawaii 2004;
- (2) Appropriating funds to the Department of Accounting and General Services for school repair and maintenance on the Neighbor Islands; and
- (3) Appropriating funds to the Department of Education to convene the interagency working groups and for two full-time equivalent (2.0 FTE) positions.

The Department of Education supported the bill. The Department of Accounting and General Services and Department of Health supported the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2421, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1049-14 Education on S.B. No. 2975

The purpose of this measure is to support early learning in Hawaii by appropriating funds for the Executive Office on Early Learning to enter into contracts with third-party providers for family-child interaction learning programs as part of a mixed-delivery early learning system to ensure the school readiness of Hawaii's children prior to entering kindergarten.

The Executive Office on Early Learning; Department of Education; Department of Human Services; Early Learning Advisory Board; Hawaii Association of Independent Schools; Partners in Development Foundation; Hui for Excellence in Education; Good Beginnings Alliance; Kamehameha Schools; The Chamber of Commerce of Hawaii; PHOCUSED: Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled; INPEACE: Institute for Native Pacific Education and Culture; and numerous concerned individuals supported the bill. The Hawaii Association for the Education of Young Children supported the intent of the measure. The Hawaii State Teachers Association provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2975, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1050-14 Education on S.B. No. 2826

The purpose of this measure is to help provide much-needed early childhood education for the children of Hawaii by establishing within the early learning system an Early Childhood Education Program, to be administered by the Executive Office on Early Learning. The Early Childhood Education Program may include private providers and will serve three- and four-year old children, with priority extended to children in the year prior to being eligible to attend kindergarten and underserved or at-risk children.

The Executive Office on Early Learning, Department of Education, Department of Human Services, Department of Public Safety, Early Learning Advisory Board, Hui for Excellence in Education, Hawaii Association of Independent Schools, Hawaii Association for the Education of Young Children, The Chamber of Commerce of Hawaii, Hawaii Business Roundtable, Aloha United Way, Partners in Development Foundation, Kamehameha Schools, Hawaii Association of School Psychologists, The Pacific Resource Partnership, PHOCUSED, and numerous concerned individuals supported the bill. Aha Punana Leo and several concerned individuals supported the measure with amendments. The Hawaii State Teachers Association, IMUAlliance, and a concerned individual opposed the bill. The American Civil Liberties Union of Hawaii submitted comments.

Your Committee has amended this bill by:

- (1) Removing the definition of "underserved children";
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2826, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2826, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1051-14 Education on S.B. No. 2768

The purpose of this measure is to improve early childhood education in Hawaii by:

- (1) Requiring school attendance for five-year-old children, making kindergarten attendance mandatory;

- (2) Requiring the Department of Education, in collaboration with the Executive Office on Early Learning, to develop a statewide individualized kindergarten readiness process to collect information and data available through individualized kindergarten readiness assessments;
- (3) Establishing within the Department of Education an individualized kindergarten readiness assessment tool; and
- (4) Beginning with the 2015-2016 school year, requiring all Department of Education and charter-school kindergarten classes to adopt the individualized kindergarten readiness assessment tool; provided that parents may exempt their children from the system.

The Executive Office on Early Learning, Department of Education, Hawaii State Teachers Association, Hawaii Educational Policy Center, Hui for Excellence in Education, Good Beginnings Alliance, The Chamber of Commerce of Hawaii, Punana Leo O Molokai Makua, IMU Alliance, Hawaii Association of School Psychologists, and several concerned individuals supported the bill. Aha Punana Leo and a few concerned individuals supported the measure with amendments. The Department of Human Services and Hawaii Association for the Education of Young Children supported the intent of the bill. A concerned individual submitted comments.

Your Committee has amended the bill by:

- (1) Repealing section 302A-411, Hawaii Revised Statutes, which provides, among other things, that kindergarten attendance is not mandatory;
- (2) Requiring the Department of Education, in collaboration with the Executive Office on Early Learning, to develop a statewide individualized kindergarten readiness system--instead of process--to collect information and data available through individualized kindergarten readiness assessments;
- (3) Establishing within the Department of Education an individualized kindergarten readiness assessment system, instead of tool;
- (4) Appropriating \$870,000 for fiscal year 2014-2015 for the administration, training, technology, and support necessary for the establishment of the individualized kindergarten readiness assessment system;
- (5) Changing the effective date to July 1, 2014; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2768, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2768, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1052-14 Education on S.B. No. 2518

The purpose of this measure is to improve the law governing public charter schools by, among other things:

- (1) Allowing the State Public Charter School Commission to assess fees upon non-state entities and individuals to help cover its operating costs and to set initial fee amounts without following generally applicable rulemaking procedures upon compliance with alternate notice and hearing requirements;
- (2) Requiring that a charter applicant satisfactorily meet pre-opening criteria set by the authorizer before becoming an entity of the State by entering into and executing a charter contract to open a school;
- (3) Providing that an approved charter applicant that fails to satisfactorily meet the pre-opening criteria and enter into a charter contract or withdraws its application will be required to pursue a new application and approval process to execute a charter contract;
- (4) Specifying that legislatively appropriated funding for the State Public Charter School Commission be independent of funding for charter schools;
- (5) Amending annual reporting requirements for authorizers and the Board of Education;
- (6) Amending requirements for service on a governing board, for the conduct of meetings by a governing board, and for notice of meetings by a governing board;
- (7) Repealing the authorization for the formation of a conversion charter school by an existing Hawaiian language immersion program;
- (8) Providing for the reconstitution of governing boards under exigent circumstances;
- (9) Allowing authorizers to direct a governing board and charter school to take immediate appropriate action to address serious health and safety issues; and
- (10) Making various technical and conforming amendments.

The State Public Charter School Commission, Department of Human Services, and Hawaii Public Charter Schools Network supported the bill. The Department of Budget and Finance submitted comments.

Your Committee has amended the bill by, among other things:

- (1) Allowing an authorizer to require that a charter applicant whose charter application is approved by the authorizer satisfactorily meet pre-contracting criteria set by the authorizer before entering into a charter contract;
- (2) Requiring an authorizer to establish pre-opening criteria to ensure that a pre-opening charter school is prepared to open and operate successfully as a school, including the imposition of certain funding limitations;
- (3) Providing for at least a one-year "cooling-off period" after the conclusion of a vendor's or contractor's service to a charter school with respect to:
 - (A) The voting membership of that particular charter school's governing board; and
 - (B) Service as the chair of that particular charter school's governing board;
- (4) Amending the performance framework of the performance provisions within a charter contract to include financial and organizational performance indicators, measures, and metrics;
- (5) Requiring an authorizer to issue a charter school performance report and charter contract renewal application guidance by December 31 to any charter school whose charter contract is in its final contract year;
- (6) Exempting charter schools, authorizers, and the State Public Charter School Commission from the requirements of section 302A-1401, Hawaii Revised Statutes, pertaining to the administration and use of federal funds;
- (7) Allowing the State Public Charter School Commission to request facilities funding for charter schools as part of its annual budget request to the Director of Finance and receive and expend any funds provided by the facilities-funding request;
- (8) Permitting an authorizer to allow a financial review, in lieu of an independent financial audit, of a charter school; and
- (9) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2518, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2518, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.
(Representative Say voted no.)

SCRep. 1053-14 Economic Development & Business on S.B. No. 2584

The purpose of this measure is to stimulate economic growth for the State and continue to develop the State's emerging aerospace sector by appropriating funds to support the Pacific International Space Center for Exploration Systems' Planetary Sustainability Technologies Initiative with the State of California with certain stipulations, including matching fund requirements.

The Councilmember representing Council District 3 on the Hawaii County Council; JAMSS America, Inc.; International Ventures Associates; Ferraro Choi; and several concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; Near Earth LLC; Shackleton Energy Company, Inc.; Pacific International Space Center for Exploration Systems; and two concerned individuals testified in support of the intent of this measure.

Aerospace technology research and development is a rapidly growing industry that has vast potential, especially in light of the fact that the National Aeronautics and Space Administration is working to improve technologies for sustaining human exploration for increasingly greater distances and durations beyond Earth. Technological developments in the aerospace industry may also have widespread applications on Earth. By engaging in applied research and development to demonstrate and evaluate these technologies, the State will not only leverage its unique geographical resources to significantly advance the frontiers of space, but also enable local developers to evaluate how these technologies could be adapted to promote near-term terrestrial applications statewide, as well as around the globe.

Currently, legislation is pending in California that will appropriate funds to allow collaboration with the State of Hawaii to develop and promote self-sufficient technologies, with the goal of leveraging both National Aeronautics and Space Administration and private sector assets and expertise. The funds appropriated in this measure will allow Hawaii to work in partnership with California to increase and accelerate the development of sustainable measures and strategies for energy efficiency, renewable energy development, water use efficiency, waste management, and sustainable construction. Development of these technologies has the potential to provide new market and manufacturing areas for the State, further diversifying the State's economy.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2584, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1054-14 Economic Development & Business on S.B. No. 2803

The purpose of this measure is to maintain Hawaii's reputation as a world class filming destination while protecting Hawaii's fragile ocean

environment by making permanent the exemption from the prohibition on the operation of thrill craft in state waters for film production permit holders.

The Department of Business, Economic Development, and Tourism, and Department of Land and Natural Resources testified in support of this bill.

Hawaii has a global reputation as a world class filming destination because of its world renowned surf, pristine waters, and expert water safety professionals. Many film shoots include water scenes that use thrill craft for water safety purposes, for use as picture vessels, for the transport of cast and crew members, or for camera positioning. While the operation of thrill craft does have safety risks, the safety record of thrill craft used as tools in film shoots has been impeccable. According to both the Department of Business, Economic Development, and Tourism, and Department of Land and Natural Resources, 196 film permits for the use of jet skis for filming operations were issued over the past four fiscal years and, to date, there have been no reports of any incidents or accidents involving those jet skis. Making permanent the exemption that allows film production permit holders to use thrill craft in non-designated areas of State waters will help to maintain Hawaii's reputation as a world class filming destination.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2803, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Cachola and Ito.

SCRep. 1055-14 Economic Development & Business on S.B. No. 2583

The purpose of this measure is to appropriate funds, on a matching fund basis, for an engineering assessment of a proposal to establish a laser optical communications ground station in the State to be conducted jointly by the National Aeronautics and Space Administration (NASA) and Pacific International Space Center for Exploration Systems.

The Councilmember representing Council District 3 on the Hawaii County Council; Pacific International Space Center for Exploration Systems; JAMSS America, Inc.; International Ventures Associates; Ferraro Choi; and several concerned individuals testified in support of this bill. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; Near Earth LLC; Shackleton Energy Company, Inc.; and a concerned individual testified in support of the intent of this measure.

Your Committee finds that aerospace technology research and development is a rapidly growing industry that has much potential. Technological developments in the aerospace industry may also have widespread applications on Earth.

Your Committee finds that NASA is developing innovative and advanced technologies to support laser communications between spacecraft and Earth. These efforts have been necessitated by the ever increasing data rate requirements from more sophisticated instruments aboard spacecraft, which will soon surpass NASA's ability to support.

In a detailed statistical analysis of weather patterns conducted by NASA, it was determined that Hawaii would be the best location for NASA's first operational laser communications station in a planned global network of laser communication ground stations. Not only would this initiative benefit spacecraft communications, but it would also have a positive effect on the State's economic future by providing opportunities for improvements in Hawaii's broadband and fiber optic infrastructure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2583, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and Wooley.

SCRep. 1056-14 Economic Development & Business on S.B. No. 2079

The purpose of this measure is to amend the Motion Picture, Digital Media, and Film Production Income Tax Credit (Tax Credit) by:

- (1) Requiring a film production to:
 - (A) Comply with all applicable statutes, ordinances, rules and regulations of the federal, state, and county governments to qualify for the Tax Credit; and
 - (B) Secure all necessary film permit approvals with the appropriate state or county agency if film production takes place on state or county property;
- (2) Prohibiting qualified production costs that have been financed with state funds from qualifying for the Tax Credit beginning on July 1, 2014; and
- (3) Prohibiting reality television programming from qualifying for the Tax Credit.

The Department of Land and Natural Resources, Department of Business, Economic Development, and Tourism, and Department of Taxation testified in support of this measure. Island Film Group testified in opposition to this bill. The Tax Foundation of Hawaii provided comments.

The motion picture, television, and digital media industry in Hawaii is vibrant and growing, positively impacting the State's economy through job creation, increased tax revenues, and the provision of priceless marketing exposure on a global scale throughout the year to Hawaii's visitor industry. However, your Committee finds that, according to the Department of Land and Natural Resources and the Hawaii Film Office, some film production

companies have engaged in film production without proper permits, violating state laws and administrative rules. This measure attempts to address this issue, through the promotion of greater compliance with state laws and rules that will serve to encourage closer collaboration among the Department of Land and Natural Resources, other regulatory agencies such as the Hawaii Film Office, and motion picture, digital media, and film production companies.

Your Committee notes that the Department of Taxation raised concerns regarding the ability of productions to claim amounts received from state agencies as qualified production costs to claim the Tax Credit and wishes to exclude these costs as qualified production costs. Your Committee also notes the Department of Taxation's concerns regarding the effective date of the bill and the applicability of the tax credit on productions already taking place. While your Committee understands these concerns, they are beyond the purview of this Committee, and your Committee respectfully requests the Committee on Finance to consider the recommendations of the Department of Taxation.

Furthermore, your Committee finds that there is a lack of clarity regarding the definition of a reality television programming, which may lead to this measure having unintended consequences. Therefore, your Committee has requested interested parties to work together to develop a solution to address the particular problem with reality television programming and present their recommendations to the Committee as the bill moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2079, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and Wooley.

SCRep. 1057-14 Economic Development & Business on S.B. No. 2832

The purpose of this measure is to move Hawaii toward a more diversified economy and assist small businesses conducting innovative research with their efforts toward commercialization by:

- (1) Including the receipt of any Small Business Innovation Research Program award or contract from any participating federal agency to the qualifying criteria for businesses to receive grants from the High Technology Development Corporation; and
- (2) Increasing the ceiling on transfers from the Hawaii Capital Loan Revolving Fund for the High Technology Development Corporation to provide grants.

High Technology Development Corporation; The Chamber of Commerce of Hawaii; Hawaii Food Manufacturers Association; Spectrum Photonics, Inc.; TeraSys Technologies; Labels That Talk, Ltd.; Oceanit; Technical Research Associates, Inc.; Hawaii Fish Company Inc.; HealthTech Apps, inc.; 3D Innovations; Renewable Water Technologies LLC; Tissue Genesis, Inc.; and a concerned individual testified in support of this measure. A concerned individual provided comments.

Since 1989, the High Technology Development Corporation has been assisting Phase I Small Business Innovation Research awarded companies reach their commercial potential through the provision of grants. This has proven successful for both the business awarded the grant and the State given that every dollar invested through this grant program has been leveraged to attract approximately \$16 in federal funds as well as commercialization funding. Expanding the scope of this program would allow more companies to achieve commercialization and increase the beneficial economic impacts of this program to the State.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2832, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1058-14 Economic Development & Business on S.B. No. 2487

The purpose of this measure is to assist small businesses in Hawaii. Specifically, this bill improves the effectiveness and efficiency of the Small Business Regulatory Review Board, while allowing the Legislature to monitor and evaluate the Board's performance and effectiveness by:

- (1) Requiring training of members of the Board by the Department of the Attorney General to ensure that the members have a clear understanding of their role and its parameters;
- (2) Clarifying the contents of the Board's annual report to the Legislature; and
- (3) Establishing a sunset date of June 30, 2019, for the Board.

The Small Business Regulatory Review Board and Hawaii Business League testified in support of this measure. The Chamber of Commerce of Hawaii and a concerned individual testified in opposition to this bill.

Act 168, Session Laws of Hawaii 1998, codified as Chapter 201M, Hawaii Revised Statutes, established the Small Business Regulatory Flexibility Act. This Act provides for a petition process for regulatory review and a periodic administrative review of rules impacting small businesses by an independent regulatory review board, known as the Small Business Regulatory Review Board.

Although the Board's role is to look at the impact of rules on small businesses and make recommendations to adopt new rules, or amend or repeal existing rules, concerns have been raised that the Board has not been functioning as originally envisioned, particularly with regard to the roles of Board members. Nevertheless, the underlying mission of the Board remains important for small businesses in Hawaii. Providing additional training and a clearer

understanding of the role of Board members should help the Board operate as originally envisioned.

Furthermore, clarifying the contents of the Board's annual report to the Legislature will also enable the Legislature to better monitor and evaluate the Board's performance over the next several years to determine whether the Board is beneficial to small businesses in Hawaii and should be retained.

However, your Committee finds that establishing a date by which the Board will be dissolved is unnecessary at this time. Further monitoring and evaluation of the Board and its fulfillment of its mission is sufficient. Your Committee also notes that, while concerns about the Board have been raised, the Board has not received the necessary financial and administrative support from the Department of Business, Economic Development, and Tourism to operate efficiently and effectively.

Accordingly, your Committee has amended this bill by:

- (1) Inserting language requiring the Department of Business, Economic Development, and Tourism to sufficiently support the work of the Board through financial and administrative assistance; and
- (2) Deleting provisions repealing the Board on June 30, 2019.

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

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2487, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2487, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Cachola and Ito.

SCRep. 1059-14 Economic Development & Business on S.B. No. 2776

The purpose of this measure is to foster a film production industry in Hawaii by:

- (1) Establishing a creative film and media park to be administered by the Board of Directors of the High Technology Development Corporation;
- (2) Designating specific properties in West Oahu to be included in the park; and
- (3) Including the development of the park as part of the duties of the High Technology Development Corporation.

The Department of Business, Economic Development, and Tourism, University of Hawaii at West Oahu and two concerned individuals testified in support of the intent of this bill. The Department of Land and Natural Resources testified in opposition to this measure. The Hawaii Housing Finance and Development Corporation, High Technology Development Corporation, and SHM Partners/Film Studio Group provided comments.

Hawaii is blessed with a vibrant and growing entertainment economy. While the motion picture, television, and digital media industry has had a positive impact on the economy of Hawaii through job creation, increased tax revenues, and providing Hawaii's visitor industry with priceless marketing exposure on a global scale throughout the year, the lack of sufficient infrastructure in the State has hindered the growth of this industry. The creation of a film and media park would attract both national and international investments in film and media production, further strengthening and diversifying Hawaii's economy.

Your Committee notes that, as the land being contemplated for use as a film and media park is situated on the campus of the University of Hawaii at West Oahu and the park is anticipated to be connected to the University of Hawaii at West Oahu through academic programming, internship opportunities, and other collaborative efforts, involvement by the Board of Regents of the University of Hawaii in the development of the park is crucial.

Accordingly, your Committee has amended this measure by stipulating that the Board of Directors of the High Technology Development Corporation work in conjunction with the Board of Regents of the University of Hawaii in developing the film and media park and any planning and design of the park.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Finally, your Committee finds that there continues to be concern about the specific parcels of land cited in this measure through tax map key number designations. As such, your Committee requests that the proponents of this measure provide the Committee on Finance with specific names or descriptions and geographic locations of the parcels in question in addition to the tax map key number designations.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2776, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2776, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1060-14 Public Safety on S.B. No. 2305

The purpose of this measure is to authorize and appropriate funds for the Department of Defense's Civil Defense Division to assemble civilian community teams in each state senatorial district and to hire a coordinator to ensure the proper training of the civilian community teams that will provide community assistance during disasters.

The State Adjutant General and Director of State Civil Defense, Vice Director of State Civil Defense, Civil Defense Agency of the County of Hawaii, and a few concerned individuals supported this measure. The Department of Emergency Management of the City and County of Honolulu offered comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that civilian community teams be separated by state senatorial districts;
- (2) Requiring that State Civil Defense Division and county civil defense agencies work collaboratively to:
 - (A) Avoid possible redundancy in the responsibilities of the civilian community teams;
 - (B) Ensure funding for the civilian community teams does not overlap with duplicative state and county civil defense programs; provided that the funding may be expended to augment existing civil defense programs if the purposes of the funding are mutually agreed upon by the coordinator, the State Civil Defense Division, and the county civil defense agencies; and
 - (C) Establish boundaries served by the civilian community teams that are mutually agreed upon by community and county partners; and
- (3) Making technical, nonsubstantive amendments for purposes of style, consistency, and clarity.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2305, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2305, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Takumi and McDermott.

SCRep. 1061-14 Economic Development & Business on H.R. No. 81

The purpose of this measure is to bring clarity to, and consistency and efficiency in, the use of state public lands for communication and telecommunication hardware devices by requesting the Director of the Department of Business, Economic Development, and Tourism to establish a working group to develop standard provisions to be included in contractual agreements for the use of these lands.

AT&T Services, Inc. testified in support of this measure. The Department of Business, Economic Development, and Tourism provided comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 81 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1062-14 Economic Development & Business on H.C.R. No. 110

The purpose of this measure is to bring clarity to, and consistency and efficiency in, the use of state public lands for communication and telecommunication hardware devices by requesting the Director of the Department of Business, Economic Development, and Tourism to establish a working group to develop standard provisions to be included in contractual agreements for the use of these lands.

AT&T Services, Inc. testified in support of this measure. The Department of Business, Economic Development, and Tourism provided comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 110 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1063-14 Economic Development & Business on H.R. No. 84

The purpose of this measure is to support businesses that operate in a socially and environmentally sustainable manner by encouraging state departments to conduct business with sustainable business corporations and further the promotion of sustainable business corporations in Hawaii.

The Department of Business, Economic Development, and Tourism testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 84 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1064-14 Economic Development & Business on H.C.R. No. 115

The purpose of this measure is to support businesses that operate in a socially and environmentally sustainable manner by encouraging state departments to conduct business with sustainable business corporations and further the promotion of sustainable business corporations in Hawaii.

The Department of Business, Economic Development, and Tourism testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 115 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Wooley.

SCRep. 1065-14 Higher Education on S.B. No. 2039

The purpose of this measure is to appropriate funds to the College of Tropical Agriculture and Human Resources at the University of Hawaii for its cooperative extension service to improve education regarding agricultural sciences and food safety.

The Ulupono Initiative supported the bill. The Department of Agriculture and College of Tropical Agriculture and Human Resources at the University of Hawaii supported the intent of the measure.

Your Committee amended the bill by:

- (1) No longer specifying that the appropriation must be used to improve education regarding agricultural sciences and food safety;
- (2) Providing that the appropriation will not lapse until June 30, 2016;
- (3) Changing its effective date to July 1, 2525, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that the College of Tropical Agriculture and Human Resources at the University of Hawaii testified that an appropriation of \$520,000 would fund the following positions:

- (1) One full-time (1.0 FTE) food crops agent in the City and County of Honolulu;
- (2) One full-time (1.0 FTE) sustainable agriculture agent in Hawaii County;
- (3) One full-time (1.0 FTE) livestock agent in Maui County; and
- (4) One full-time (1.0 FTE) sustainable agriculture agent in Kauai County.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2039, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2039, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Ohno, Say and Takai.

SCRep. 1066-14 Water & Land on S.B. No. 3077

The purpose of this measure is to appropriate funds for capital improvements to replace the wooden finger piers at Maalaea Small Boat Harbor on Maui with piers made of more durable material.

The Mayor of the County of Maui, four members of the Maui County Council, and The Sky Ohana submitted testimony in support of this measure. The Department of Land and Natural Resources submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3077, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1067-14 Water & Land on S.B. No. 2677

The purpose of this measure is to authorize the issuance of general obligation bonds to finance the State's contribution to improvements at Waimea District/Regional Park on the island of Hawaii.

The Mayor of the County of Hawaii, Waimea District Park Builders, and numerous individuals submitted testimony in support of this measure. Several individuals submitted comments.

Your Committee notes that the improvements to Waimea District/Regional Park financed by this measure are part of an on-going partnership between the State and the County of Hawaii to fund this important community resource. The State's contribution to the current phase of the project is

expected to be approximately \$4,000,000, which will be matched by an equal amount of County funds.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2677, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1068-14 Education on S.B. No. 2517

The purpose of this measure is to improve charter-school facilities in Hawaii by:

- (1) Authorizing the State Public Charter School Commission to request the issuance of general obligation bonds from the Director of Finance and to allocate the proceeds of the bond issuance for the design, planning, construction, repair, and maintenance of charter-school facilities;
- (2) Establishing the Charter School Facilities Funding Working Group; and
- (3) Authorizing the issuance of general obligation bonds and appropriating funds to be expended by the State Public Charter School Commission to assist public charter schools with the design, planning, construction, repair, and maintenance of school facilities.

The State Public Charter School Commission, Hawaii Public Charter Schools Network, and numerous concerned individuals supported the bill. The Department of Budget and Finance and Kamehameha Schools submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2517, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1069-14 Education on S.B. No. 2236

The purpose of this measure is to support early learning in Hawaii by:

- (1) Authorizing the Executive Office on Early Learning to enter into agreements with the Department of Education and charter schools to use available classrooms for public preschool classrooms;
- (2) Requiring the Executive Office on Early Learning to enter into contracts with no more than five charter schools for the use of available classrooms for public preschool classrooms; and
- (3) Appropriating funds for the use of preschool classrooms.

The Executive Office on Early Learning; Department of Education; Department of Human Services; State Public Charter School Commission; Early Learning Advisory Board; Hawaii Association of Independent Schools; Hui for Excellence in Education; PHOCUSED: Protecting Hawaii's Ohana, Children, Under Served, Elderly and Disabled; Chamber of Commerce of Hawaii; Pacific Resource Partnership; IMUAlliance; and numerous concerned individuals supported the bill. The Hawaii Association for the Education of Young Children supported the intent of the measure. The Hawaii State Teachers Association supported the bill with amendments. Kamehameha Schools submitted comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2236, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ichiyama and Takai.

SCRep. 1070-14 Agriculture/Economic Development & Business on S.B. No. 3023

The purpose of this measure is to support the development of breadfruit ('ulu as it is named in Hawaiian), a local plant with promising potential as a food source, into a major crop in Hawaii by appropriating funds to the Agribusiness Development Corporation for research, development, and marketing of breadfruit.

The Department of Agriculture, University of Hawaii College of Tropical Agriculture and Human Resources, Hawaii Farmers Union United, Kona Chapter-Hawaii Farmers Union United, and two individuals supported this bill.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3023, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1071-14 Economic Development & Business/Agriculture on S.B. No. 2397

The purpose of this measure is to encourage agricultural innovation and support businesses in the agriculture industry by:

- (1) Establishing an agricultural technology park on specific parcels of land;
- (2) Including the development of the agricultural technology park under the duties of the High Technology Development Corporation, and requiring the park to be administered by the Board of Directors of the High Technology Development Corporation; and
- (3) Appropriating an unspecified amount for the establishment of the agricultural technology park.

The Department of Agriculture, Agribusiness Development Corporation, Wahiawa Community & Business Association, Sugarland Growers, Inc., Hawaii Farm Bureau, and several concerned individuals testified in support of this bill. The High Technology Development Corporation testified in support of the intent of this measure. Two concerned individuals testified in opposition to this bill. The Hawaii Housing Finance and Development Corporation provided comments.

Technological innovations and the application of these innovations have greatly assisted farmers with various tasks over the years. More recent applications have been used by the agricultural industry, as well as farmers, as tools to monitor irrigation systems, mapping, grazing, pest management, harvest, weather, and fertilizer applications, all in real-time. These sophisticated technologies also have additional benefits in material cost, labor, and fuel savings, as the farmer can refer to electronic files rather than driving out to a specific field. Moreover, as the federal government moves forward with the FDA Food Safety Modernization Act, technological applications will be needed to assist farmers in tracking which crops were planted in which fields, soil types, and irrigation control.

The development of an agricultural technology park will provide the setting for bridging the agricultural and technology gap and encourage agricultural innovation and support businesses in the agriculture industry. In addition, while agricultural businesses and the agricultural industry as a whole will experience direct benefits from the development of an agricultural technology park, the park may also provide Hawaii with a means of meeting its food sustainability goals.

However, your Committees note that, according to the High Technology Development Corporation, the Corporation already has statutory authority to develop technology parks. Nevertheless, the Corporation still requires the financial resources provided in this measure to develop the agricultural technology park. Accordingly, your Committees find that this measure deserves further consideration.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Agriculture that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2397, S.D. 2, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and Ohno.

SCRep. 1072-14 Transportation on S.B. No. 2729

The purpose of this measure is to make clarifying amendments to the mobile electronic device law, specifically by:

- (1) Prohibiting the operation of a motor vehicle while using a mobile electronic device held in a person's hand for making or receiving a non-emergency call, texting, or receiving a text message;
- (2) Adding an exemption for drivers of vehicles that are at a complete stop, in a safe location by the side of the road, and out of the way of traffic;
- (3) Removing the violation graduated scale for penalties; and
- (4) Specifying that the violation of the mobile electronic device law is a traffic infraction.

Two concerned individuals testified in support of this measure. The Department of Transportation and the Honolulu Police Department testified in opposition to this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the amendments that limit the prohibition to operating a motor vehicle while using a mobile electronic device held in a person's hand for making or receiving a non-emergency call or text message;
- (2) Removing the exemptions to the prohibition;
- (3) Deleting the amendments made to the definitions "operate", "texting", and "use" or "using";
- (4) Changing the fine for violation to not less than \$250 to be deposited into the State Highway Fund, or \$400 if in a school zone or construction area, to be deposited into the State general fund;
- (5) Specifying that this measure shall supersede any county ordinance regulating the use or utilization of mobile electronic devices while operating a motor vehicle;
- (6) Adding a savings clause;
- (7) Changing the effective date to January 1, 2150, to facilitate further discussion; and
- (8) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2729, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2729, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Ing.

SCRep. 1073-14 Transportation on S.B. No. 2329

The purpose of this measure is to give full faith and credit to other states' provisional driver's license laws by authorizing the Examiner of Drivers to waive the actual demonstration of the ability to operate a motor vehicle requirement for any person who has a comparable, valid provisional license from another state and has completed the same requirements to convert a provisional license to a driver's license that apply under Hawaii's licensing laws.

Two concerned individuals testified in support of this measure. The Department of Transportation and the Department of Customer Services of the City and County of Honolulu commented on this measure.

Your Committee has amended this measure by removing the word "comparable" in regards to a valid provisional license from another state to avoid unnecessary delay in implementation. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2329, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2329, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har and Ing.

SCRep. 1074-14 Transportation/Public Safety on S.B. No. 2589

The purpose of this measure is to improve the effectiveness of law enforcement at Hawaii's harbors by transferring law enforcement functions and authority related to harbors law enforcement from the Department of Transportation to the Department of Public Safety.

The Department of Transportation and a concerned individual testified in support of this measure. The Department of the Attorney General and the Department of Public Safety commented on this measure.

Your Committees have amended this measure by:

- (1) Removing provisions that would have created a Harbors Division within the Department of Public Safety to allow the Department of Public Safety to better integrate the functions and authority transferred by this measure;
- (2) Clarifying that the law enforcement functions transferred shall not include those related to the state harbors civil violations system;
- (3) Requiring the Director of Public Safety, in conjunction with the Director of Transportation, to submit a report prior to the 2016 regular legislative session on the status of the transfer of functions and authority; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Public Safety that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2589, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2589, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ing and McDermott.

SCRep. 1075-14 Tourism on S.B. No. 2968

The purpose of this measure is to stimulate new jobs, create and maintain facilities that attract tourists, and keep Hawaii's principal industry competitive in the global tourism market by establishing a temporary income tax credit for qualified hotel construction and renovation.

The Hawaii Tourism Authority, Wyndham Vacation Ownership, and the Hawaii Lodging & Tourism Association supported this measure. The Department of Taxation, Tax Foundation of Hawaii, and Outrigger Hotels Hawaii offered comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee finds that this measure warrants further discussion as it moves through the legislative process. Your Committee respectfully requests that the Committee on Finance, should it consider this measure, investigate whether the requirement of compliance with all laws, rules, and regulations is administrable and whether amendments are necessary to prevent a double benefit (deduction plus credit) and ensure reliable linkage of the credit to real property improvements. Finally, your Committee finds that prioritizing credits for job-intensive hotel and resort properties over those for other types of properties merits further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2968, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2968, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana and Takai.

SCRep. 1076-14 Housing/Human Services on S.B. No. 2541

The purpose of this measure is to help meet the ever increasing need for elderly housing in the State by appropriating funds to the Hawaii Public Housing Authority to:

- (1) Redevelop the Hawaii Public Housing Authority's administrative offices; and
- (2) Construct an elderly-only housing complex at the same location.

The Hawaii Public Housing Authority, League of Women Voters of Hawaii, Community Alliance for Mental Health, and United Self Help testified in support of this measure.

Your Committees respectfully request that, should your Committee on Finance choose to consider this measure, the Committee on Finance consider authorizing the issuance of \$60,000,000 in General Obligation Bonds and appropriating the funds to be expended by the Hawaii Public Housing Authority.

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2541, S.D. 1, and recommend that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Jordan and Fukumoto.

SCRep. 1077-14 Housing on S.B. No. 2442

The purpose of this measure is to help meet the current and projected needs for affordable housing in Hawaii by appropriating moneys to the Rental Housing Trust Fund for the construction of micro units, family units, and elder housing units to be leased to individuals and families meeting certain income requirements.

The Hawaii Housing Finance and Development Corporation, Chamber of Commerce of Hawaii, Hawai'i Appleseed Center for Law and Economic Justice, PHOCUSED, Partners in Care, Hawaii Primary Care Association, Community Alliance for Mental Health, United Self Help, Catholic Charities Hawaii, and Hawaii Catholic Conference provided testimony in support of this measure.

Your Committee notes that Hawaii is facing a housing shortage and that Honolulu is tied as being the least affordable city for renters in the country. According to the 2011 Hawaii Housing Planning Study, as many as 50,000 new units are needed by 2016. The need for affordable housing is a real issue in the State that is represented by the 13,000 rental housing units required to keep up with the projected demand for these units by households with less than 80 percent of the median income by 2016. This measure works toward ensuring Hawaii's residents have access to affordable housing.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2442, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 1078-14 Consumer Protection & Commerce on S.B. No. 2958

The purpose of this measure is to broaden the protections afforded under cybersquatting laws by specifying that bad faith includes the registration of a domain name that consists of the name of another person, including a deceased person, and clarifies the civil liabilities imposed for such action.

The Office of Consumer Protection testified in support of this measure. An individual commented on this measure.

Your Committee has amended this measure by:

- (1) Making it unlawful for a person, with bad faith intent, to register, traffic in, or use a domain name, that is identical or confusingly similar to the personal name of another person or deceased personality, without regard to the goods or services of the parties; and
- (2) Changing its effective date to December 21, 2112, to encourage further discussion.

Concerns were raised regarding due process and other legal issues, and your Committee respectfully requests that should your Committee on Judiciary consider this measure, it further examine these issues.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2958, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2958, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1079-14 Consumer Protection & Commerce on S.B. No. 2368

The purpose of this measure is to assist in the clarification of the Attorney General's powers, duties, and responsibilities in the enforcement of the proper application and use of charitable assets, regardless of the form in which they are held, by codifying section 3 of the Model Protection of Charitable Assets Act.

The Department of the Attorney General and Commission to Promote Uniform Legislation testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to December 21, 2112, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2368, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2368, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1080-14 Agriculture on S.B. No. 2343

The purpose of this measure is to protect Hawaii's environment and economy and the health and lifestyle of its people against the threat and impact of invasive species by appropriating \$5,000,000 for projects undertaken in accordance with the Hawaii Invasive Species Council, including invasive species prevention, control, outreach, research, and planning.

The Department of Agriculture; Department of Land and Natural Resources; Department of Transportation; Oahu Invasive Species Committee; Mayor of the County of Maui; Chairperson, Vice-Chairperson, and another member of Maui County Council; Hawaii Farm Bureau; The Nature Conservancy; Hawaii Green Growth; and a concerned individual support this bill. The Office of Planning supported this measure, subject to any adverse impacts on the Executive Budget.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2343 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Awana.

SCRep. 1081-14 Agriculture on S.B. No. 2026

The purpose of this measure is to protect dogs and cats by establishing the misdemeanor offense of cruelty to animals by slaughtering or trafficking dogs or cats for human consumption.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Hawaiian Humane Society, Hawaii Cattlemen's Council, Save An Animal, Animal Rights Hawaii, and a number of concerned individuals supported this bill. The Humane Society of the United States and Pacific Pet Alliance supported this measure with amendments.

Your Committee has amended this measure by, among other things:

- (1) Specifying that the offense covers pet animals, rather than just dogs and cats, and making conforming amendments;
- (2) Clarifying that other laws may be applicable to the circumstances relating to the offense established by this bill;
- (3) Exempts from the offense, the lawful slaughter of animals as permitted by the Department of Agriculture; and
- (4) Making technical, nonsubstantive amendments for consistency, clarity, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2026, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2026, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.
(Representatives Cachola and Tsuji voted no.)

SCRep. 1082-14 Water & Land on H.R. No. 119

The purpose of this measure is to facilitate the long-term restoration of Kaho'olawe by requesting that Hawaii's congressional delegation introduce federal legislation providing the Kaho'olawe Island Reserve Commission with additional funding.

The Kaho'olawe Island Reserve Commission testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 119 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1083-14 Water & Land on H.C.R. No. 158

The purpose of this measure is to facilitate the long-term restoration of Kahoʻolawe by requesting that Hawaii's congressional delegation introduce federal legislation providing the Kahoʻolawe Island Reserve Commission with additional funding.

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

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1084-14 Water & Land on H.R. No. 62

The purpose of this measure is to request that the Chair of the Board of Land and Natural Resources convene and chair a working group to develop a means of public access to the "Haiku Stairs" area.

The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 62 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1085-14 Water & Land on H.C.R. No. 87

The purpose of this measure is to request that the Chair of the Board of Land and Natural Resources convene and chair a working group to develop a means of public access to the "Haiku Stairs" area.

The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 87 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1086-14 Water & Land on H.R. No. 89

The purpose of this measure is to address the efficiency of existing landscape irrigation systems on state facilities by requesting that the Department of Accounting and General Services conduct a cost-benefit analysis of several buildings under its jurisdiction regarding best management practices and the potential replacement of older, inefficient landscape irrigation systems.

The Oahu Island Parks Conservancy testified in support of this measure. The Department of Accounting and General Services provided comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 89 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1087-14 Water & Land on H.C.R. No. 124

The purpose of this measure is to address the efficiency of existing landscape irrigation systems on state facilities by requesting that the Department of Accounting and General Services conduct a cost-benefit analysis of several buildings under its jurisdiction regarding best management practices and the potential replacement of older, inefficient landscape irrigation systems.

The Oahu Island Parks Conservancy testified in support of this measure. The Department of Accounting and General Services provided comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 124 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1088-14 Water & Land on H.C.R. No. 38

The purpose of this measure is to authorize the Board of Land and Natural Resources to issue a 55-year term nonexclusive easement for the purpose of use, maintenance, repair, and removal of a pier over, under, and across certain portions of state submerged lands located in Heeia, Koolaupoko, Oahu.

The Department of Land and Natural Resources provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 38 and recommends that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1089-14 Water & Land on H.C.R. No. 15

The purpose of this measure is to authorize the Hawaii Housing Finance and Development Corporation to sell its leased fee interest at 41-669 Inoaole Street, Waimanalo, Hawaii, to the interest's current leasehold owner.

The Department of Business, Economic Development and Tourism and Hawaii Housing Finance and Development Corporation testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 15 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano, Lee, Say and Fale.

SCRep. 1090-14 Health on H.R. No. 74

The purpose of this measure is the request that the Auditor conduct an impact assessment report in accordance with sections 23-51 and 23-52, Hawaii Revised Statutes, of mandating health insurance coverage of orofacial anomalies as proposed by House Bill NO. 2522 (Regular Session of 2014) and that this report be submitted to the legislature no later than 20 days prior to the convening of the Regular Session of 2015.

State Council on Developmental Disabilities, Kaiser Permanente, Hawaii Pacific Health, and several individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 74 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1091-14 Health on H.C.R. No. 100

The purpose of this measure is the request that the Auditor conduct an impact assessment report in accordance with sections 23-51 and 23-52, Hawaii Revised Statutes, of mandating health insurance coverage of orofacial anomalies as proposed by House Bill NO. 2522 (Regular Session of 2014) and that this report be submitted to the legislature no later than 20 days prior to the convening of the Regular Session of 2015.

State Council on Developmental Disabilities, Kaiser Permanente, Hawaii Pacific Health, and several individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 100 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1092-14 Health on H.R. No. 107

The purpose of this measure is to request the Auditor to:

- (1) Conduct an impact assessment report pursuant to sections 23-51 and 23-52, Hawaii Revised Statutes, of the social and financial effects of mandating health insurance coverage for further screening for women who have been found through a mammography to have dense breast tissue; and
- (2) Include in the impact assessment report data as to the incidence of cancer detection upon further screening where evidence of cancer was not found through a standard mammography; and
- (3) Determine as part of the impact assessment whether the notification requirement in Act 5, Session Laws of Hawaii 2013, is unnecessary such that this Act should be repealed; and
- (4) Report these findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2015.

Hawaii Pacific Health and Kaiser Permanente Hawaii supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 107 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1093-14 Health on H.C.R. No. 149

The purpose of this measure is to request the Auditor to:

- (1) Conduct an impact assessment report pursuant to sections 23-51 and 23-52, Hawaii Revised Statutes, of the social and financial effects of mandating health insurance coverage for further screening for women who have been found through a mammography to have dense breast tissue; and
- (2) Include in the impact assessment report data as to the incidence of cancer detection upon further screening where evidence of cancer was not found through a standard mammography; and
- (3) Determine as part of the impact assessment whether the notification requirement in Act 5, Session Laws of Hawaii 2013, is unnecessary such that this Act should be repealed; and
- (4) Report these findings and recommendations to the Legislature no later than twenty days before the convening of the Regular Session of 2015.

Kaiser Permanente Hawaii and Hawai'i Pacific Health supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 149 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1094-14 Health on H.R. No. 160

The purpose of this measure request the Hawaii Health Systems Corporation and its Regional Board to submit plans and recommendations for reducing its operating deficits and that these long-term plans include options that the Legislature may consider for effecting large-, medium-, and small-scale deficit reductions, along with the corporation's recommendations for changes in expenditures, revenues, services, access, and other relevant aspects of its operations.

The Hawaii Health Systems Corporation Kauai Region Board of Directors and an individual supported this measure.

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

Signed by all members of the Committee except Representative Carroll.

SCRep. 1095-14 Health on H.C.R. No. 203

The purpose of this measure request the Hawaii Health Systems Corporation and its Regional Board to submit plans and recommendations for reducing its operating deficits and that these long-term plans include options that the Legislature may consider for effecting large-, medium-, and small-scale deficit reductions, along with the corporation's recommendations for changes in expenditures, revenues, services, access, and other relevant aspects of its operations.

The Hawaii Health Systems Corporation Kauai Region Board of Directors, Hawaii Health Systems Corporation, and several individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 203 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1096-14 Health on H.R. No. 51

The purpose of this measure is to request the Auditor to conduct a sunrise review of the establishment of a system of registered dispensaries within the Department of Health to dispense medical marijuana as proposed in H.B. No. 1587, Regular Session of 2014, pursuant to section 26H-6, Hawaii Revised Statutes and in conducting the sunrise review, include:

- (1) The qualifications, duties, and responsibilities for dispensaries of medical marijuana; and
- (2) The registration requirements for dispensaries of medical marijuana to possess and cultivate medical marijuana for:
 - (A) Dispensing medical marijuana to a qualifying patient or primary caregiver; and
 - (B) Manufacturing, purchasing, possessing, distributing, and using drug paraphernalia in accordance with Hawaii's Medical Use of Marijuana Law; and
- (3) The registration requirements for qualifying patients and primary caregivers to use and obtain services from dispensaries of medical marijuana, including the payment of a cultivation fee to the Department of Health and the cultivation of marijuana in secured facilities

that may or may not be part of the dispensary; and

- (4) The registration, to include criminal record checks, of dispensary agents who must be registered with the Department of Health prior to working at a dispensary; and
- (5) The protections afforded to qualifying patients, primary caregivers, dispensaries, and dispensary agents with respect to the regulation of a system of registered dispensaries within the Department of Health to dispense medical marijuana.

The Big Island Chapter of Americans for Safe Access, the Drug Policy Action Group, and many individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 51 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1097-14 Health on H.C.R. No. 74

The purpose of this measure is to request the Auditor to conduct a sunrise review of the establishment of a system of registered dispensaries within the Department of Health to dispense medical marijuana as proposed in H.B. No. 1587, Regular Session of 2014, pursuant to section 26H-6, Hawaii Revised Statutes and in conducting the sunrise review, include:

- (1) The qualifications, duties, and responsibilities for dispensaries of medical marijuana; and
- (2) The registration requirements for dispensaries of medical marijuana to possess and cultivate medical marijuana for:
 - (A) Dispensing medical marijuana to a qualifying patient or primary caregiver; and
 - (B) Manufacturing, purchasing, possessing, distributing, and using drug paraphernalia in accordance with Hawaii's Medical Use of Marijuana Law; and
- (3) The registration requirements for qualifying patients and primary caregivers to use and obtain services from dispensaries of medical marijuana, including the payment of a cultivation fee to the Department of Health and the cultivation of marijuana in secured facilities that may or may not be part of the dispensary; and
- (4) The registration, to include criminal record checks, of dispensary agents who must be registered with the Department of Health prior to working at a dispensary; and
- (5) The protections afforded to qualifying patients, primary caregivers, dispensaries, and dispensary agents with respect to the regulation of a system of registered dispensaries within the Department of Health to dispense medical marijuana.

The Community Alliance on Prisons, the Big Island Chapter of Americans for Safe Access, the Drug Policy Action Group, and many individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 74 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1098-14 Health on H.C.R. No. 141

The purpose of this measure is to request the John A. Burns School of Medicine (JABSOM), as part of its continuing physician workforce assessment, develop an action plan detailing specific goals, activities, and measurement outcomes to mitigate the anticipated shortfall of physicians in the State of Hawaii for both the short-term, and long-term. JABSOM will include or take into account the following as part of this action plan:

- (1) Collaboration with the Chief Executive Officers and administrations of all hospitals operating in the State of Hawaii, with particular focus on those which already partner with JABSOM to provide residency training for JABSOM graduates; and
- (2) Examination of the capacity of JABSOM facilities to determine whether class sizes may be expanded to increase the number of graduates and maximize the use of these facilities; and
- (3) Address the sustainability of the family practice residency programs at Wahiawa General Hospital and its impact on JABSOM's accreditation while the family practice residency program is fully operational at Hilo Medical Center; and
- (4) Include the action plan as part of its updated physician workforce assessment required pursuant to Act 18, SSLH 2009 to be transmitted to the Legislature at least twenty days prior to the convening of the Regular Session of 2015.

The John A. Burns School of Medicine and one individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141 and recommends that it be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1099-14 Health on H.C.R. No. 186

The purpose of this measure is to request a study be performed by the Department of Health which will examine the feasibility of prohibiting smoking on public beaches by requesting the Department of Health to:

- (1) Examine the effects smoking has on Hawaii's public beaches including adverse health and environmental effects, with regard to littering; and
- (2) Examine the public health effects of secondhand smoke in outdoor areas such as beaches; and
- (3) Identify what other states are doing to address the effects of secondhand smoke in outdoor areas such as beaches, including legislation from other states and any plans states have implemented to ban smoking on beaches and the outcome of those plans; and
- (4) Identify other options to reduce the harmful effects smoking has on Hawaii's beaches and coastal environment; and
- (5) Submit a report of its findings and recommendations, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

Coalition for a Tobacco-Free Hawaii testified in support of this measure.

Your committee has amended this measure by making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 186, as amended herein, and recommends that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs in the form attached hereto as H.C.R. No. 186, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1100-14 Judiciary on S.B. No. 2094

The purpose of this measure is to:

- (1) Redefine and increase to a class A felony the offense of Computer Damage in the First Degree as intentionally causing or attempting to cause damage to a critical infrastructure computer, and define that term;
- (2) Redefine and increase to a class B felony the offense of Computer Damage in the Second Degree as knowingly causing the transmission of a program, information, code, or command, and thereby knowingly causing unauthorized damage to a computer, computer system, or computer network, or intentionally accessing a computer, computer system, or computer network without authorization, and thereby knowingly causing damage; and
- (3) Create and establish as a class C felony the offense of Computer Damage in the Third Degree as knowingly accessing a computer, computer system, or computer network without authorization and recklessly causing damage.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Hawaii, Office of the Prosecuting Attorney of the County of Kauai, and Department of the Prosecuting Attorney of the County of Maui testified in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting the definition of "critical infrastructure computer" and incorporating the systems and assets described therein into a new definition of "critical infrastructure" that also clarifies the "emergency services" and "transportation systems and services" systems and assets;
- (2) Specifying that the offense of Computer Damage in the First Degree applies to damage to state and federal critical infrastructure;
- (3) Amending the offense of Computer Damage in the First Degree to prohibit intentionally causing or attempting to cause damage to a computer, computer system, or computer network that manages or controls any critical infrastructure; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2094, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2094, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti and Kawakami.

SCRep. 1101-14 Consumer Protection & Commerce on S.B. No. 2048

The purpose of this measure is to amend certain provisions contained in Act 19, Session Laws of Hawaii 2011, by:

- (1) Deleting the requirement that the Department of Commerce and Consumer Affairs conduct annual management and financial audits of

designated public, educational, and governmental access organizations, as codified in section 440G-8.3(h), Hawaii Revised Statutes; and

- (2) Removing the sunset provision in Act 19 to permanently allow the Director of Commerce and Consumer Affairs to designate an access organization to oversee public, educational, and governmental channels.

The Department of Commerce and Consumer Affairs, Akaku: Maui Community Television, Olelo Community Media, and several individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Specifying each public, educational, and governmental access channel by its franchise area; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2048, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2048, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 1102-14 Consumer Protection & Commerce on S.B. No. 2481

The purpose of this measure is to modernize Hawaii's time share law by:

- (1) Eliminating the requirement that a manager of a foreign time share plan register in Hawaii as a time share plan manager;
- (2) Requiring that information regarding the non-registration of the manager of a foreign time share plan be included in the disclosure statement for the offering of a foreign time share plan;
- (3) Specifying the types of nonprofit or not-for-profit entities that an association of time share plan owners may be organized as; and
- (4) Making housekeeping amendments.

Starwood Vacation Ownership, Wyndham Vacation Ownership, and American Resort Development Association Hawaii testified in support of this measure. The Department of Commerce and Consumer Affairs Professional and Vocational Licensing Division provided comments.

Your Committee has amended this measure by making technical amendments to the purpose section of the measure for clarification purposes. Specifically, purpose section references to "foreign time share plans" have been replaced with references to "time share plans located outside of Hawaii."

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2481, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2481, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1103-14 Consumer Protection & Commerce on S.B. No. 2702

The purpose of this measure is to extend the time period in which the Department of Budget and Finance is authorized to issue special purpose revenue bonds to assist Honolulu Seawater Air Conditioning in the design and construction of a seawater air conditioning district cooling project in downtown Honolulu.

Honolulu Seawater Air Conditioning, Ulupono Initiative, and the Chamber of Commerce of Hawaii testified in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a new section stating the purpose of this measure;
- (2) Extending for conformity purposes, the date at which or after which, the Department of Budget and Finance is authorized, from time to time, to issue additional special purpose revenue bonds for the refunding of the authorized issuance of special purpose revenue bonds pursuant to Act 113, Session Laws of Hawaii 2009; and
- (3) Amending the lapsing date for the authorization to issue the special purpose revenue bonds to June 28, 2019, to comply with the five-year requirement for the issuance of special purpose revenue bonds under section 39A-157, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2702, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2702, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 1104-14 Judiciary on S.B. No. 702

The purpose of this measure is to combat internet crimes against children by:

- (1) Establishing an Internet Crimes Against Children Fee, which shall be assessed against a defendant for each felony or misdemeanor conviction; and
- (2) Establishing an Internet Crimes Against Children Special Fund from which the Attorney General may expend funds to:
 - (A) Train and equip local law enforcement to investigate and prosecute internet crimes against children;
 - (B) Enable law enforcement to investigate and prosecute internet crimes against children; and
 - (C) Assist groups working directly to fight internet crimes against children.

The Crime Victim Compensation Commission, Office of the Prosecuting Attorney of the County of Kauai, PROTECT, Sex Abuse Treatment Center, and one individual testified in support of this measure. The Department of the Attorney General and Department of Budget and Finance provided comments.

Your Committee has amended this measure by:

- (1) Clarifying the purpose section to more accurately reflect the bill's purpose;
- (2) Deleting the definition of "child pornography" from the chapter proposed by this measure; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 702, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 702, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Kawakami and Wooley.

SCRep. 1105-14 Human Services on S.B. No. 2399

The purpose of this measure is to research and develop ways in which technology may effectively assist Hawaii's elderly population, while stimulating economic growth, by establishing a geriatric research and technology park. The objective of the research and technology park shall be to encourage manufacturing jobs related to products and services focused on long-term services, including adult residential care homes, hospices, nursing homes, and assisted living facilities in a designated geographic hub.

A concerned citizen testified in support of this measure. The Executive Office on Aging supported the intent of the measure. The High Technology Development Corporation provided comments on the measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2399, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1106-14 Human Services on S.B. No. 2840

The purpose of this measure is to provide flexibility to the Department of Human Services in providing general assistance by allowing it to draw from other funds appropriated to the Department to offset budget shortfalls for general assistance benefit payments caused by an increase in the number of general assistance recipients.

The Legal Aid Society of Hawaii testified in support of this measure. The Department of Human Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2080, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2840, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2840, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1107-14 Agriculture on S.B. No. 2775

The purpose of this measure is to protect agricultural lands with a productivity rating of class A and at the same time permit a solar energy facility thereon by permitting the facility only if:

- (1) The solar energy facility is on a paved or unpaved road that has been in existence as of December 31, 2013; and
- (2) Vehicular traffic can still use the road.

The Hawaii Agriculture Research Center; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; and a concerned individual supported the bill. The Department of Agriculture supported the intent of this measure. The Department of Business, Economic Development, and Tourism, Land Use Commission, and Office of Planning commented on the bill.

Your Committee has amended this measure by:

- (1) Requiring the following additional conditions to permit a solar energy facility on class A agricultural lands:
 - (A) A special use permit granted by the Land Use Commission; and
 - (B) The parcel of land upon which the paved or unpaved road is located has a valid county agriculture tax dedication status or valid agricultural conservation easement;
- (2) Repealing the permissible use on June 30, 2019, and providing for the continued operation of the facility after June 30, 2019, and conditions for the facility's removal at the end of the facility's operable life; and
- (3) Making technical, nonsubstantive amendments were also made for style, consistency, and clarity.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2775, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2775, S.D. 1, H.D. 1, and be referred to the Committees on Energy & Environmental Protection and Water & Land.

Signed by all members of the Committee except Representative Awana.

SCRep. 1108-14 Consumer Protection & Commerce on S.B. No. 2483

The purpose of this measure, as received by your Committee, is to amend state condominium laws by specifying that:

- (1) The priority of a condominium association's lien for unpaid common expenses is subordinate to all real property tax liens, rather than all tax liens, on the unit; and
- (2) Condominium associations may assess unpaid common expenses against a purchaser or mortgagee of a delinquent unit in a judicial or nonjudicial power of sale foreclosure.

For the purposes of a public hearing on this bill, your Committee circulated H.B. 2483, S.D. 1, H.D. 1 (Proposed Draft) and notified the public that it would be accepting testimony on the proposal, which:

- (1) Removes the provision relating to priority of a condominium association's lien for unpaid common expenses; and
- (2) Clarifies condominium board election rules by permitting boards to fill vacancies without elections only temporarily and setting out meeting and notice requirements for elections to fill vacancies.

The Hawaii Council of Associations of Apartment Owners and the Community Associations Institute Hawaii Chapter provided comments on this measure in the form in which it was received by your Committee.

The Department of Taxation, Hawaii State Bar Association Collection Law Section, and an individual provided comments on the Proposed Draft of this measure circulated and noticed by your Committee.

Your Committee considered the merits of both S.B. No. 2483 S.D. 1, as received by your Committee, and the Proposed Draft and upon careful consideration, adopted the Proposed Draft. Your Committee further amended the Proposed Draft by changing its effective date to July 1, 2014.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2483, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2483, S.D. 1, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1109-14 Consumer Protection & Commerce on S.B. No. 2386

The purpose of this measure is to prohibit advertising the sale of property known to be stolen.

Specifically, the measure:

- (1) Establishes the offense of advertising, by any method, the sale of property known to be stolen; and
- (2) Makes conforming amendments to section 708-834, Hawaii Revised Statutes, relating to defenses to prosecution for theft.

The Office of Consumer Protection of the Department of Commerce and Consumer Affairs and four individuals submitted testimony in support of this measure.

Your Committee finds that the advertisement of property known to be stolen, via the internet and other methods, is a harmful and persistent practice that should be prohibited to deter theft and protect property owners. Accordingly, your Committee believes that this measure will reduce the occurrence of stolen property being advertised for sale.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2386, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1110-14 Consumer Protection & Commerce on S.B. No. 2345

The purpose of this measure is to protect Hawaii's kupuna from financial fraud and abuse by appropriating funds for the operation of the investor education and other related financial education programs targeted at kupuna, within the Department of Commerce and Consumer Affairs.

The Department of Commerce and Consumer Affairs testified in support of this measure.

Your Committee finds that there could have been a potential conflict with the original language of the measure and its restrictive title. Therefore, your Committee has amended this measure by:

- (1) Amending the appropriation to provide the resources to the Department of Commerce and Consumer Affairs in order to expand the existing investor education programs to include educational outreach targeted at kupuna, particularly in the areas of indexed annuities, life-settlement annuities, variable annuities, and Ponzi schemes;
- (2) Making the appropriation in an unspecified amount; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Should your Committee on Finance consider this measure, your Committee respectfully requests that it consider inserting an appropriation amount of \$50,000.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2345, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2345, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 1111-14 Agriculture on S.B. No. 2293

The purpose of this measure is to provide financial support to local livestock producers to achieve food self-sufficiency that is critical to Hawaii's food security by appropriating funds:

- (1) To reimburse the cost of feed for qualified producers of milk, pork, eggs, poultry, beef, lamb, goats, and seafood; and
- (2) For the administrative costs of the Livestock Revitalization Program of the Department of Agriculture.

The Department of Agriculture; Hawaii Farm Bureau Federation; Hawaii Cattlemen's Council, Inc.; and Ulupono Initiative supported this bill. A concerned individual opposed this measure.

Your Committee finds that the cost of feed for local livestock production can constitute up to 70 percent of the total production cost, versus approximately 50 percent for comparable livestock production on the continental United States. Your Committee further finds that the production of local animal feed, and the resulting reduction in imported feed, is essential to Hawaii's food self-sufficiency and security. Accordingly, your Committee has amended this measure by, among other things:

- (1) Deleting its purpose section;
- (2) Deleting the appropriation for the administrative cost of the Livestock Revitalization Program;
- (3) Establishing a grant program to reimburse specified amounts of cost incurred by qualified feed developers in cultivating feed crops to be sold to qualified producers of milk, poultry, pork, beef, fish or crustaceans, sheep, lambs, or goats;
- (4) Establishing documentation of animal feed development costs and financial statement filing requirements;
- (5) Appropriating funds for the grant program for qualified feed developers;

- (6) Requiring the Department of Agriculture, in distributing the fiscal year 2014-2015 appropriation, to give a preference to qualified producers who produce milk, pork, eggs, poultry, beef, sheep, lamb, goats, and seafood on a parcel that is two or less acres in area to develop and nurture small qualified producers;
- (7) Changing the effective date to July 1, 2014; and
- (8) Making technical, nonsubstantive amendments for style, clarity, and consistency.

Should the Committee on Finance deliberate on this measure, your Committee respectfully request that it consider appropriating \$1,500,000 in general funds for the Livestock Revitalization Program to be allocated as follows:

- (1) \$500,000 to reimburse qualified producers of milk, pork, eggs, poultry, beef, sheep, lamb, goats, and seafood, for the cost of feed; provided that to encourage and nurture small qualified producers in the State, the Department of Agriculture shall give a preference to qualified producers on a parcel that is two or less acres in area; and
- (2) \$1,000,000 to the qualified feed developer grant program.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2293, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2293, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Awana.

SCRep. 1112-14 Agriculture on S.B. No. 2913

The purpose of this measure is to protect Hawaii's coffee industry, producer of one of the top commodities in the State, from counterfeiting by expanding the scope of the offense of False Labeling of Hawaii-Grown Coffee to include:

- (1) The false labeling of natural coffee, roasted coffee, and instant coffee, in addition to green coffee, cherry coffee, or parchment coffee with regard to geographic origin; and
- (2) The false labeling of those coffees specified above with regard to grade standard classification, or the use of geographic origin in the labeling of roasted or instant coffee if the green coffee beans used in the roasted or instant coffee do not meet grade standard classifications for Hawaii-grown coffee.

The Hawaii Farm Bureau, Greenwell Farms, Kona Coffee Council, Hawaii Coffee Association, Royal Kona Coffee Visitor Center Mill & Museum, Maui Coffee Association, Edmund C. Olson Trust II, and several concerned individuals supported this measure. The Department of Agriculture supported the intent of this bill. Lions Gate Farms, Hawaii Farmers Union United, Kona Coffee Farmers Association, Lavarock Farm, Kanalani Ohana Farm, and numerous concerned individuals opposed this measure.

Your Committee respectfully requests that your Committees on Consumer Protection and Commerce and Judiciary give special attention to the question of whether the same record requirements should apply to all coffee roasted in Hawaii to prevent coffee counterfeiting or whether exemptions may be allowed for small, farm to table coffee farms. Your Committee recognizes that those supporting this measure generally represent larger farms and coffee processors that also process and roast coffee from other farms. Those opposing this bill generally represent small-scale farms in the Kona District of Hawaii County who harvest, process, roast, and sell coffee direct from farm to table. Representatives from these small-scale farms advised your Committee that the measure would impose burdensome new regulation on small-scale, farm to table businesses for which there is no history of coffee counterfeiting.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2913, S.D. 1, and recommends that it pass Second Reading and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

Signed by all members of the Committee except Representative Awana.

SCRep. 1113-14 Agriculture on S.B. No. 2347

The purpose of this measure is to control the spread of invasive species.

Specifically, the measure:

- (1) Requires nursery stock that is infested with certain pests to be treated for eradication of pests before the sale or transport of the nursery stock from one island to another island within the State or intra-island;
- (2) Requires an element of gross negligence, rather than intent, for a violation of section 150A-6(3) or (4), Hawaii Revised Statutes, relating to the importation, possession, or transportation of certain animals, plants, or equipment that is harmful to agriculture, horticulture, animals, public health, or natural resources;
- (3) Eliminates the element of intent to propagate, sell, or release from the penalty for transporting, harboring, or importing prohibited animals or restricted plants, animals, or microorganisms without a permit and from the penalty for importing, possessing, harboring, transferring, or transporting any designated pest; and
- (4) Establishes a comprehensive intra-island quarantine program to control the spread of pests within the State that:

- (A) Prohibits a person from moving any regulated article intrastate from any quarantined area;
- (B) Specifies the regulated articles that are prohibited from intrastate movement;
- (C) Requires the Department of Agriculture to quarantine each portion of the State that is infested and sets guidelines for the Department to designate and terminate designation of quarantined areas;
- (D) Establishes conditions for the movement of regulated articles from quarantined areas;
- (E) Authorizes an inspector to issue a certificate or limited permit for the intrastate movement of a regulated article approved under a compliance agreement if certain conditions are met;
- (F) Requires the Department of Agriculture to develop and implement a comprehensive and effective interisland quarantine program, including the use of compliance agreements patterned after specific federal regulations;
- (G) Allows any person who grows, handles, or moves regulated articles intrastate to enter into a compliance agreement with the Department of Agriculture;
- (H) Authorizes an inspector to cancel any certificate, limited permit, or compliance agreement in the event of noncompliance by the holder of a certificate or limited permit or person who entered into a compliance agreement, and further allows for appeal of the cancellation;
- (I) Establishes requirements for the attachment and disposition of the certificates and limited permits;
- (J) Establishes, within the Department of Agriculture, a little fire ant and coqui frog detection, control, exclusion, and enforcement programs for nurseries producing containerized plants;
- (K) Authorizes the counties to establish their own requirements by ordinance to prevent the introduction of infested, regulated articles that are consistent with law and departmental rules until the Department of Agriculture implements this measure; and
- (L) Establishes a fine equal to the value of the offending shipment or \$10,000, whichever is greater, for any person who moves infested regulated articles intrastate.

The Department of Land and Natural Resources, Airlines Committee of Hawaii, and Young Brothers, Limited, submitted testimony in support of this measure. The Hawaii Floriculture and Nursery Association submitted testimony in opposition to this measure. The Department of the Attorney General, Hawaii Farm Bureau Federation, and Maui Invasive Species Committee provided comments.

Your Committee finds that many invasive species are pests that harm and threaten Hawaii's export and tourism industries, property values, residents' quality of life, and the environment. Accordingly, your Committee believes that the State must aggressively combat pest infestations and prevent their spread.

Your Committee has amended this measure by:

- (1) Deleting its contents and inserting language recommended by the Department of Agriculture that:
 - (A) Provides that the transportation of any pest or article regulated under chapter 150A, Hawaii Revised Statutes, is subject to inspection, treatment, and destruction if warranted;
 - (B) Prohibits the interisland or intra-island transportation of any pest or article that is diseased, pest-infested, or likely to assist in the transmission or dissemination of any pest or that may in itself be harmful;
 - (C) Prohibits the possession, harboring, transport, rearing, breeding, distribution, or release of pests except when authorized by a permit issued by the Department of Agriculture;
 - (D) Allows the Department of Agriculture to designate quarantine areas and establish transportation restrictions, rules, and compliance agreements related to quarantine areas; and
 - (E) Establishes penalties for violating restrictions on transportation of designated pests and infested or diseased articles; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2347, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2347, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Awana.

SCRep. 1114-14 Energy & Environmental Protection/Water & Land on S.B. No. 2663

The purpose of this measure is to ensure regulation of geothermal resources development in the State through a permitting process that shall be administered by the Board of Land and Natural Resources and the appropriate county authorities.

The Department of Business, Economic Development, and Tourism; Mayor of the County of Hawaii; Sierra Club; Hawaii Island Economic Development Board; Japanese Chamber of Commerce & Industry; Pacific Resource Partnership; Waimanalo Hawaiian Homes Association; Malama Ki Buddha Wisdom Garden; Kalani Oceanside Retreat Village; Malu Aina; Puna Geothermal Venture Hawaii; Indigenous Consultants, LLC; Innovations Development Group; Hawaii Island Chamber of Commerce; Hawaii Leeward Planning Conference; Huena Power; and numerous concerned individuals testified in support of this measure. The Hawaii County District 9 Councilmember; Eco Hostel Hawaii; and numerous concerned individuals testified in opposition to this measure. The Department of Land and Natural Resources; Office of Hawaiian Affairs; the Senator from Senate District 2; Puna Pono Alliance; Life of the Land; Laakea Community LLC; Pele Lani Farm, LLC; and numerous concerned individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the respective regulatory jurisdictions of the Board of Land and Natural Resources and the appropriate county authorities based on land use classification;
- (2) Inserting language to ensure that prospective geothermal resources development will have the least detrimental environmental and social impact by specifying additional requirements for permit applications, criteria for permit approval, requirements for public hearing on applications, and direct judicial appeal to the Intermediate Court of Appeals for all permit dispositions;
- (3) Requiring public hearings in the appropriate county for all permit applications in any land use district and eliminating the mediation requirement to resolve issues raised at hearings;
- (4) Including a new part II that prohibits and establishes penalties for hydraulic fracturing and the collection, storage, treatment, or discharge of wastewater from hydraulic fracturing within the State through July 1, 2025; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2663, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2663, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1115-14 Higher Education on S.B. No. 2550

The purpose of this measure, as received by your Committee, is to help ensure the financial and managerial feasibility of the University of Hawaii at Hilo College of Pharmacy by, among other things:

- (1) Establishing a five-year pilot program under which the University of Hawaii at Hilo College of Pharmacy will be financially and managerially autonomous;
- (2) Establishing a University of Hawaii at Hilo College of Pharmacy Special Fund;
- (3) Requiring the University of Hawaii at Hilo to report annually to the Legislature on the moneys in the Special Fund for the duration of the pilot program;
- (4) Requiring the College of Pharmacy at the University of Hawaii at Hilo to submit an annual financial and management report to the Board of Regents of the University of Hawaii, Legislature, and Governor; and
- (5) Requiring the University of Hawaii System to perform a program evaluation, commencing no later than July 1, 2018, concerning whether the College of Pharmacy at the University of Hawaii at Hilo should be continued.

Prior to the public hearing, a Proposed House Draft 1 was circulated and made available to the public for the purpose of receiving testimony. The purpose of the Proposed House Draft 1 is to help ensure the financial and managerial feasibility of the University of Hawaii at Hilo College of Pharmacy by, among other things:

- (1) Establishing a:
 - (A) Five-year pilot program under which the University of Hawaii at Hilo College of Pharmacy will be financially and managerially independent;
 - (B) University of Hawaii at Hilo College of Pharmacy Special Fund; and
 - (C) Board of Governors for the University of Hawaii at Hilo College of Pharmacy;
- (2) Authorizing the issuance of general obligation and revenue bonds for the construction of a facility to house the University of Hawaii at Hilo College of Pharmacy; and
- (3) Making various appropriations.

The University of Hawaii at Hilo College of Pharmacy, Friends of the Daniel K. Inouye College of Pharmacy, East Hawaii Region of the Hawaii Health Systems Corporation, Hawaii Leeward Planning Conference, Hawaii Island Chamber of Commerce, Hawaii Construction Alliance, Hawaii Island Economic Development Board, Center for Magnesium Education and Research, Walgreens, and many concerned individuals supported the proposed draft. A concerned individual opposed the proposed draft. The University of Hawaii and Department of Budget and Finance provided comments.

Your Committee has amended the bill by:

- (1) Adopting the Proposed House Draft 1, which was further amended by providing that:
 - (A) The powers and duties of the University of Hawaii at Hilo College of Pharmacy Board of Governors include assisting the College with the adjustment of its tuition and fee schedule;
 - (B) The terms of the three members of the University of Hawaii at Hilo College of Pharmacy Board of Governors who are members of the University of Hawaii Board of Regents who have been appointed to the Governing Board by the chair of the Board of Regents will be staggered and will conclude non-concurrently; and
 - (C) If the University of Hawaii Board of Regents finds, as a result of its program evaluation, that the University of Hawaii at Hilo College of Pharmacy meets the criteria for success and sustainability, the terms and conditions of the pilot program must be adopted and implemented as the operational structure for the College of Pharmacy; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2550, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2550, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1116-14 Higher Education on S.B. No. 3093

The purpose of this measure is to assist underprivileged children of Hawaiian ancestry in developing life skills, achieving academic success, and setting career goals by appropriating funds to the University of Hawaii at Hilo to establish staff positions within the 'Imiloa Astronomy Center and to support its memorandum of understanding with the Revealing Individual Strengths for Excellence (RISE) 21st Century After School Program.

The Revealing Individual Strengths for Excellence 21st Century After School Program, Councilmember of the Hawaii County Council representing District 3, and a concerned individual supported the bill. The University of Hawaii at Hilo and 'Imiloa Astronomy Center of Hawaii supported the intent of the measure.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill, an appropriation of \$500,000 be made to the University of Hawaii at Hilo.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3093, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1117-14 Higher Education on S.B. No. 2131

The purpose of this measure is to help expand veterans' access to higher education and provide them with the same opportunity that Hawaii residents have regarding the University of Hawaii's wealth of educational resources by requiring the University of Hawaii Board of Regents to waive the nonresident tuition and fee differential for veterans of the United States armed forces who were honorably discharged, regardless of their actual state of residence.

The Office of Veterans' Services, Department of Defense State Liaison Office, National Association for Uniformed Services – Hawaii Chapter, The Chamber of Commerce of Hawaii, Veterans of Foreign Wars – Department of Hawaii, Hawaii Alliance of Student Veterans, Hawaii Alliance of Student Veterans – University of Hawaii Leeward Community College Chapter, Young Democrats of Hawaii, and numerous concerned individuals supported the bill. The University of Hawaii Student Caucus and a concerned individual supported the intent of the measure. The University of Hawaii and Department of the Attorney General provided comments.

Your Committee has amended the bill by:

- (1) Adding a finding and declaration by the Legislature that the issue covered in this bill is a matter of statewide concern and thus under the Legislature's purview pursuant to Article X, Section 6, of the Hawaii State Constitution;
- (2) Specifying that in order to qualify for a waiver of the nonresident tuition and fee differential for honorably discharged veterans of the United States armed forces, such veterans must:
 - (A) Have left the armed forces no more than two years prior; and
 - (B) Sign an intent form to become a resident of Hawaii;
- (3) Adding a definition for "G.I. Bill education benefits";
- (4) Changing the effective date to July 1, 2525, to facilitate further discussion; and

- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2131, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2131, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Takai.

SCRep. 1118-14 Higher Education on S.B. No. 2400

The purpose of this measure is to reduce Hawaii's dependence on imported foods, maximize agricultural production, and enhance the state's diversified agricultural industry by:

- (1) Requiring the Agribusiness Development Corporation and University of Hawaii College of Tropical Agriculture and Human Resources to:
 - (A) Identify food and emerging crops that can be grown on lands owned by the Agribusiness Development Corporation;
 - (B) Identify the resources needed to sustain identified emerging and food crops;
 - (C) Design and establish a program to prepare and inspire an agricultural workforce with the proper skillset and motivation to become successful growers and producers; and
 - (D) Report their findings to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015;
- (2) Requiring the Agribusiness Development Corporation and Department of Agriculture to develop a coordinated strategy:
 - (A) To lease state agricultural lands to maximize production of food and emerging crops in a cost-efficient manner; and
 - (B) For the use of state lands, facilities, and infrastructure to support food and emerging crops and to maximize agricultural development; and
- (3) Requiring the Agribusiness Development Corporation, Department of Agriculture, and University of Hawaii College of Tropical Agriculture and Human Resources to coordinate and provide technical support to farmers to:
 - (A) Identify food and emerging crops that are especially suited to a particular area in order to optimize diversified agricultural production on state lands; and
 - (B) Support and cultivate successful agricultural businesses.

The University of Hawaii College of Tropical Agriculture and Human Resources, Hawaii Farm Bureau Federation, and two concerned individuals supported the bill. The Agribusiness Development Corporation supported the intent of the measure. A concerned individual opposed the bill.

Your Committee has amended the bill by:

- (1) Removing all references to the University of Hawaii College of Tropical Agriculture and Human Resources;
- (2) Changing the effective date to July 1, 2525, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee notes that if the University of Hawaii College of Tropical Agriculture and Human Resources is required to carry out additional duties and functions, then the College should be given a commensurate appropriation.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2400, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2400, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Takai.

SCRep. 1119-14 Higher Education on S.B. No. 2455

The purpose of this measure is to support agriculture and enhance opportunities for careers in agriculture by appropriating funds for the University of Hawaii at Manoa's College of Tropical Agriculture and Human Resources to implement and operate a 4-H Program to educate and support youth in agricultural careers.

The College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa, Hawaii Farm Bureau Federation, and Local Food Coalition supported this measure. The Department of Agriculture supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2455, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1120-14 Higher Education on S.B. No. 3053

The purpose of this measure is to support the development of unmanned aerial systems operations in Hawaii by:

- (1) Establishing a Hawaii Unmanned Aerial Systems Test Site Advisory Board, as a subcommittee of the Hawaii Aerospace Advisory Committee, to oversee the planning and operation of the Hawaii Unmanned Aerial Systems Test Site;
- (2) Establishing the position of Hawaii Unmanned Aerial Systems Test Site Chief Operating Officer within the University of Hawaii to manage the operations of the Hawaii Unmanned Aerial Systems Test Site; and
- (3) Making an appropriation to staff and operate the activities of the Hawaii Unmanned Aerial Systems Test Site.

The University of Hawaii; Department of Business, Economic Development, and Tourism; Department of Transportation; state Department of Defense; Niihau Ranch LLC; and six concerned individuals supported the bill. The American Civil Liberties Union of Hawaii submitted comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3053, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1121-14 Transportation/Consumer Protection & Commerce on S.B. No. 2902

The purpose of this measure is to increase the efficiency of the motor vehicle inspection program by expanding the authority of the Director of Transportation over required motor vehicle and motor carrier vehicle inspections by allowing the Director to adopt rules to adjust the costs for inspections and fees collected from inspection stations.

The Department of Transportation; Department of Customer Services City and County of Honolulu; and Hawaii Transportation Association testified in support of this measure.

Your Committees have amended this measure by:

- (1) Allowing for the replacement of faded inspection stickers, in addition to lost, stolen, or destroyed stickers, without inspection;
- (2) Changing the effective date to July 1, 2014; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Transportation and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2902, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2902, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Ito, Lee, Oshiro, Takumi, Fukumoto and Thielen.

SCRep. 1122-14 Human Services on S.B. No. 2525

The purpose of this measure is to remove barriers to employment for individuals with disabilities by allowing these individuals to become employed yet retain their Medicaid coverage by establishing a Medicaid buy-in program for individuals with disabilities.

The Department of Human Services, Department of Health, State Council on Developmental Disabilities, Hawaii Disability Rights Center, Healthcare Association of Hawaii, Community Alliance for Mental Health, United Self Help, Lanakila Pacific, Hawaii Primary Care Association, and a few concerned individuals provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Establishing and funding a Medicaid buy-in pilot program in the Department of Health to be implemented by July 1, 2015 and terminated on June 30, 2017, which will serve 100 individuals with disabilities who are no longer eligible for Medicaid benefits because they obtained employment;
- (2) Including an update on the Medicaid buy-in pilot program in the Department of Human Service's report to the Legislature; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that should your Committee on Finance choose to consider this measure, the Committee on Finance consider an appropriation amount of \$400,000 to the Department of Health for the Medicaid buy-in pilot program.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2525, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2525, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1123-14 Human Services on S.B. No. 2223

The purpose of this measure is to allow a family court to change the name of a minor child in a divorce proceeding if:

- (1) Either parent has been convicted of sexual abuse on the child; or
- (2) The court otherwise determines it is in the best interest of the child, notwithstanding the absence of a conviction for the abuse.

The Hawaii State Commission on the Status of Women and Sex Abuse Treatment Center provided testimony in support of this measure. The Family Law Section of the Hawaii State Bar Association opposed this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2080, to facilitate further discussion; and
- (2) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2223, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2223, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti and Creagan.

SCRep. 1124-14 Human Services on S.B. No. 2841

The purpose of this measure is to eliminate fluctuations in the amount of General Assistance payments made to disabled individuals by establishing the Interim Assistance Reimbursement Special Fund to allow the Department of Human Services to retain interim assistance reimbursements received for a prior fiscal year, as opposed to the current requirement that these funds be deposited into the general fund.

The Department of Human Services and Legal Aid Society of Hawaii testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2080, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully encourages further discussion of this measure as it proceeds to your Committee on Finance and through the legislative process.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2841, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2841, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1125-14 Judiciary on S.B. No. 2249

The purpose of this measure is to improve the administrative rulemaking process by allowing proposed rules to be described in public meeting agendas under the Sunshine Law in the same manner as currently provided in public hearing notices under administrative rulemaking procedures.

Specifically, this measure provides that a public meeting agenda for proposed administrative rules meets the requirements of the Sunshine Law if the agenda includes a statement on the topic of the proposed rules or a general description of the subjects involved, together with information on how the proposed rules may be viewed in person and on the Internet.

The Department of the Attorney General, the Department of Business, Economic Development, and Tourism, and the Office of Information Practices testified in support of this measure.

Your Committee finds that administrative procedures under chapter 91, Hawaii Revised Statutes, require a public hearing, and public notice thereof, for proposed administrative rules. However, if the agency considering proposed rules is subject to the Sunshine Law for public agency meetings under chapter 92, Hawaii Revised Statutes, the agency must also comply with the Sunshine Law's notice requirements for public meeting agendas, which includes a listing of all items to be considered at the meeting. To avert potential claims that proposed rulemaking agendas may not describe each proposed rule with sufficient detail under the Sunshine Law, some agencies have resorted to attaching the entire text of proposed rules to their agendas, which sometimes has resulted in agendas comprising hundreds of pages. Along with creating a burden on agencies, this practice also frustrates the purpose of the Sunshine Law to provide the public with adequate notice of the topics to be considered at the meeting. To address the problem, this measure conforms the Sunshine Law with the administrative rulemaking procedures of chapter 91, to provide the public with a general description of the proposed rules in the meeting notice, supplemented by information on how the public may obtain a copy of the proposed rules for further details.

Your Committee has amended this measure by making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord

with the intent and purpose of S.B. No. 2249, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2249, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami and Wooley.

SCRep. 1126-14 Higher Education on S.B. No. 3092

The purpose of this measure is to support the establishment of a state-of-the-art, college-level aviation training program in Hawaii by appropriating funds for a program coordinator and technical support staff member to complete the planning required for an international flight training center and associated aeronautical training programs at the University of Hawaii at Hilo and Hawaii Community College.

The state Department of Defense, Mayor of the County of Hawaii, member of the Hawaii County Council representing District 3, Hawaiian Airlines, and several concerned individuals supported the bill. The Department of Business, Economic Development & Tourism and University of Hawaii at Hilo supported the intent of the measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3092, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1127-14 Higher Education on S.B. No. 3036

The purpose of this measure is to address erosion on Oahu's North Shore by requiring the University of Hawaii Sea Grant College Program to create a North Shore Beach Management Plan for the area stretching from the Kawaiiloa to Waialeale ahupuaa and appropriating funds for the development of the plan.

The University of Hawaii Sea Grant College Program, Department of Design and Construction of the City and County of Honolulu, Surfrider Foundation, and numerous concerned individuals testified in support of this measure. The Department of Land and Natural Resources supported the intent of this bill.

Your Committee respectfully requests that the Committee on Finance consider appropriating the amount of \$400,000 for the creation of the North Shore Beach Management Plan.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3036, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1128-14 Higher Education on S.B. No. 2905

The purpose of this measure, as received by your Committee, is to help address the underrepresentation of Asian Americans and Pacific Islanders in institutions of higher education by appropriating funds for fiscal year 2014-2015:

- (1) For five part-time graduate student assistant and student employee (2.5 FTE) positions in the Office of Student Equity, Excellence, and Diversity at the University of Hawaii at Manoa to conduct and disseminate research relating to Asian American and Pacific Islander students in higher education; and
- (2) To provide direct services to undergraduate and graduate students interested in diversity careers relating to student affairs and higher education.

Prior to the public hearing, a Proposed House Draft 1 was circulated and made available to the public for the purpose of receiving testimony. The Proposed House Draft 1 not only retains the provisions of the measure as received by your Committee but also:

- (1) Ensures greater fiscal transparency by the University of Hawaii by:
 - (A) Expanding the Department of Budget and Finance's authority to review the operations plan of the University of Hawaii;
 - (B) Expanding the Department of Budget and Finance's authority to modify or withhold the University of Hawaii's planned expenditures; and
 - (C) Requiring the University of Hawaii to obtain legislative authorization prior to any appropriation transfers or changes between programs or agencies;
- (2) Helps ensure the fiscal sustainability of the University of Hawaii at West Oahu by prohibiting the sale or gift of land currently being used for the permanent campus of the University of Hawaii at West Oahu without the prior approval of the Legislature by concurrent resolution adopted by at least a two-thirds' majority vote of both chambers; and
- (3) Promotes greater fiscal accountability by the University of Hawaii by:
 - (A) Repealing the authority of the University of Hawaii Board of Regents to issue revenue bonds for the purpose of providing

adequate parking structures or other facilities; and

- (B) Repealing subpart D of part VI of Chapter 304A, Hawaii Revised Statutes, pertaining to University of Hawaii projects and purposes.

The National Federation of Filipino American Associations – Region 12; Filipino Coalition for Solidarity; Nursing Advocates & Mentors, Inc.; and numerous concerned individuals supported the bill. The University of Hawaii, Department of Budget and Finance, and Department of the Attorney General provided comments.

After further consideration, your Committee has adopted the provisions contained in the Proposed House Draft 1 and has further amended the bill by making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill, an appropriation of \$190,000 be inserted to:

- (1) Hire the requisite personnel to conduct and disseminate research relating to Asian American and Pacific Islander students in higher education; and
- (2) Provide direct services to undergraduate and graduate students interested in diversity careers relating to student affairs and higher education.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2905, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2905, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1129-14 Health on S.B. No. 2866

The purpose of this measure is to make an emergency appropriation to the Hawaii Health Systems Corporation for necessary operational costs pursuant to Governor's Message No. 190, and in accordance with section 9 of Article VII of the Hawaii State Constitution.

The Hawaii Health Systems Corporation Corporate Board of Directors, Hawaii Health Systems Corporation East Hawaii Regional Board of Directors, Hawaii Health Systems Corporation Kauai Region Board of Directors, and two individuals testified in support of this measure. Two individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2866, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1130-14 Health on S.B. No. 2346

The purpose of this measure is to provide necessary services and support programs for the health and well-being of Hawaii's older population by appropriating funds to the Department of Health for:

- (1) The Kupuna Care Program, the Aging and Disability Resource Center, and the Healthy Aging Partnership Program; and
- (2) A public education and awareness campaign on long-term care by the Executive Office on Aging.

The Department of Community Services of the City and County of Honolulu, Maui County Office on Aging, AARP, Hawai'i Primary Care Association, American Council of Life Insurers, Aloha United Way, Catholic Charities Hawai'i, Hawaii Alliance for Retired Americans, Lanakila Pacific, Project Dana, Hawaii Family Caregiver Coalition, Policy Advisory Board for Elder Affairs, Zonta Club of Hilo, PHOCUSED, and numerous individuals supported this measure. The Executive Office on Aging and Child & Family Service commented on this measure.

Your Committee has amended this bill by:

- (1) Including language in the purpose section acknowledging and expressing support for the intent and purpose of the Kupuna Care Program and the federal Older Americans Act to provide care and services for all older persons regardless of Medicaid eligibility status, access to public or private benefits, or other criteria; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2346, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2346, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1131-14 Health on S.B. No. 2869

The purpose of this measure is to update and streamline State health care privacy laws by replacing existing laws regarding the use and disclosure of developmental disability and mental health records by health care providers with standards set out in the Health Insurance Portability and Accountability Act of 1996.

The Department of Health and State Council on Developmental Disabilities testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2869, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Creagan and Oshiro.

SCRep. 1132-14 Health on S.B. No. 3012

The purpose of this measure is to improve access to personal medical records by requiring health care providers to provide copies of medical records to patients:

- (1) At a flat rate of \$15.60, or the amount currently approved by the Social Security Administration, whichever is greater, for the purposes of a claim or appeal under any provision of the Social Security Act; or
- (2) Free of charge.

Hawai'i Pacific Health and the Legal Aid Society of Hawaii supported this measure. Hawaii Medical Association opposed this measure. I Love Kalihi Valley commented on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3012, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3012, S.D. 1, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Creagan.

SCRep. 1133-14 Health on S.B. No. 2478

The purpose of this measure is to update the scope of practice for chiropractic to reflect standards of care, practices, and terminology accepted by the National Board of Chiropractic Examiners.

The Board of Chiropractic Examiners, Hawaii State Chiropractic Association, American Chiropractic Association, and several concerned individuals provided testimony in support of this measure. The Department of Human Resources of the City and County of Honolulu, Hawaii Insurers Council, Hawaii Chapter of the American Physical Therapy Association, and Hawaii Medical Association opposed this measure. A few concerned citizens provided comments on this measure.

Your Committee has amended this measure by:

- (1) Replacing the word "physiotherapeutic" with "physical modalities" to avoid confusion with physical therapy practices;
- (2) Clarifying the scope of treatment by replacing "diseases and abnormalities" with "neuromusculoskeletal conditions";
- (3) Deleting chemical methods from the list of treatment procedures;
- (4) Changing its effective date to July 1, 2050, to facilitate discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2478, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2478, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Creagan and Oshiro.

SCRep. 1134-14 Health on S.B. No. 2577

The purpose of this measure is to require, beginning December 31, 2017, naturopathic physicians to complete a minimum of 35 hours of continuing education courses, including a minimum of 15 hours of continuing education courses in pharmacology, during each licensing renewal biennium.

The Board of Naturopathic Medicine, Healthcare Association of Hawaii, Hawaii Medical Association, and several individuals supported this measure. An individual opposed this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2150, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2577, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2577, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Creagan.

SCRep. 1135-14 Health on S.B. No. 2492

The purpose of this measure is to improve patient access to quality, cost-effective medical care by amending state statutes that preclude or impede advanced practice registered nurses from practicing in the health care delivery system to the full extent of their training and education.

The Board of Nursing; Hawaii Association of Professional Nurses; Hawai'i Pacific Health; Hawaii State Center for Nursing; Pali Momi Medical Center; American Association of Nurse Practitioners; American College of Nurse-Midwives, Hawaii Affiliate; The Queen's Medical Center; and several individuals supported this measure. The Disability and Communication Access Board and an individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2492, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Creagan.

SCRep. 1136-14 Health on S.B. No. 2452

The purpose of this measure is to meet the health needs of mothers and babies in the State by exempting breastfeeding mothers from jury duty for a period of not more than one year from the time the mother begins breastfeeding the child until the mother is no longer breastfeeding the child.

The Hawaii State Commission on the Status of Women; American Congress of Obstetricians and Gynecologists, Hawaii Section; Hawaii Women's Coalition; Hawaii Association of Professional Nurses; League of Women Voters Hawaii; Planned Parenthood of Hawaii; Gay Lesbian Bisexual and Transgender Caucus of the Democratic Party of Hawaii; Healthy Mothers Healthy Babies Coalition of Hawaii; Breastfeeding Hawaii; and an individual supported this measure. The Judiciary and an individual commented on this measure.

Your Committee has amended this bill by:

- (1) Changing the exemption from jury duty for breastfeeding mothers to a period of one year from the birth of a child; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2452, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2452, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative Creagan.

SCRep. 1137-14 Health on S.B. No. 2496

The purpose of this measure is to:

- (1) Impose an excise tax of an unspecified amount on tobacco products other than large cigars, but including loose and roll-your-own tobacco products, effective January 1, 2015;
- (2) Automatically and proportionally increase the tax on tobacco products upon any increase of the excise tax on cigarettes and little cigars; and
- (3) Deposit collected amounts to the credit of the Hawaii cancer research special fund.

The University of Hawaii Cancer Center, Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, and numerous individuals testified in support of this measure. A councilmember of the Kauai County Council; Hawaii Smokers Alliance; Cigar Association of America, Inc.; Hawaii Food Industry Association; and many individuals testified in opposition of this measure. The Department of Taxation, Department of Budget and Finance, Tax Foundation of Hawaii, and an individual provided comments.

Your Committee has amended this measure by:

- (1) Removing the automatic and proportional excise tax increase on tobacco products upon any future increase to the excise tax on cigarettes or little cigars;
- (2) Depositing collected amounts to the credit of the Hawaii cancer research special fund and the Hawaii tobacco prevention and control trust fund in unspecified proportions;

- (3) Changing its effective date to July 1, 2150, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2496, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2496, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1138-14 Health/Labor & Public Employment on S.B. No. 1233

The purpose of this measure is to require certain private employers to provide paid leaves of absence to employees for organ, bone marrow, or peripheral blood stem cell donations.

Legacy of Life Hawaii supported this measure. The Chamber of Commerce of Hawaii opposed this measure. The Queen's Medical Center commented on this measure.

Your Committees have amended this measure by:

- (1) In the provision of leave of absence by the private employer to employees for organ, bone marrow, or peripheral blood stem cell donations, deleting the requirement that the leave of absence be paid leave of absence; and
- (2) Changing its effective date to July 1, 2114, to facilitate further discussion.

As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1233, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1233, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino and Carroll.

SCRep. 1139-14 Higher Education on S.B. No. 2906

The purpose of this measure, as received by your Committee, is to help make higher education more accessible to students by appropriating funds to the University of Hawaii for student-employee wages at new or expanded worksites at each campus of the University.

Prior to the public hearing, a Proposed House Draft 1 was circulated and made available to the public for the purpose of receiving testimony. The Proposed House Draft 1 retains the provisions of the measure as received by your Committee and adds new provisions to:

- (1) Promote greater fiscal accountability by the University of Hawaii by repealing the Board of Regents' independent authority over construction, operations, maintenance, and financing for University facilities, including its authority to issue revenue bonds;
- (2) Ensure increased fiscal transparency for the University of Hawaii by subjecting the University to the same budget and operational oversight by the Department of Budget and Finance and the Legislature applicable to other state agencies; and
- (3) Increase legislative oversight of the University's disposition of public land by requiring legislative approval for conveyance of fee-simple interests in land acquired for the University of Hawaii at West Oahu campus.

The University of Hawaii Student Caucus and numerous concerned individuals supported the bill. The University of Hawaii provided comments.

Your Committee has amended the bill by:

- (1) Adopting the Proposed House Draft 1;
- (2) Changing the effective date to July 1, 2525, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee recognizes that fiscal determinations are within the purview of your Committee on Finance. Therefore, your Committee respectfully requests that, if your Committee on Finance chooses to advance this bill, an appropriation of \$100,000 be inserted to fund students employed at new or expanded worksites at each University of Hawaii campus.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2906, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2906, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1140-14 Tourism/Economic Development & Business on S.B. No. 3081

The purpose of this measure is to promote economic development by facilitating the interaction of local and out-of-state businesses and investors through an organized interaction program held in conjunction with a larger event. This measure establishes an innovative business interaction program under the Hawaii Tourism Authority and increases the transient accommodations tax revenues deposited into the tourism special fund by an unspecified amount to provide funds for the program.

The Hawaii Tourism Authority, Hawaii Strategic Development Corporation, and The Chamber of Commerce of Hawaii supported this measure. The Department of Business, Economic Development, and Tourism; Department of Budget and Finance; and Tax Foundation of Hawaii offered comments on this measure.

Your Committees have amended this measure by making technical, nonsubstantive amendments, including placing the Hawaii Tourism Authority's expenditure authority in the proper statutory section.

Your Committees respectfully note that the Department of Budget and Finance expressed concerns that this measure may negatively impact the general fund by reducing the Transient Accommodations Tax revenues deposited in the general fund and thereby affecting the total amount of general funds available for other public services and programs. Your Committees understand this concern but feel that the potential additional revenue generation represented by this measure is worth further investigation.

As affirmed by the records of votes of the members of your Committees on Tourism and Economic Development & Business that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3081, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3081, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana, Choy, Ito and Takai.

SCRep. 1141-14 Tourism on S.B. No. 2042

The purpose of this measure is to establish and fund the Puerto Rican Exchange Commission to coordinate a cultural exchange program between Hawaii and Puerto Rico to honor and recognize the contributions of the Puerto Rican people and commemorate the arrival of the Puerto Ricans to Hawaii.

Iolani Palace supported this measure. A concerned individual offered comments on this measure.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2042 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1142-14 Economic Development & Business on S.B. No. 718

The purpose of this measure is to invest in new engines of economic growth in Hawaii by appropriating funds to the Hawaii Strategic Development Corporation for the HI Growth Initiative, a comprehensive state-level program that supports entrepreneurial high-growth businesses and creates high-wage jobs through research commercialization, entrepreneur mentoring, and the mobilization of startup investment capital.

The Department of Business, Economic Development, and Tourism, Chamber of Commerce of Hawaii, Hawaii Strategic Development Corporation, High Technology Development Corporation, Blue Startups, Global Virtual Studio, Hawaii Fashion Incubator, Hawaii TechWorks, TeraSys Technologies, Hawaii Business Roundtable, The Cut Collective, Ten Tomorrow, Energy Excelsator, and numerous individuals testified in support of this measure.

Hawaii needs new strategies to develop long-term economic growth and high-wage jobs. According to the National Governors Association, fostering an entrepreneurial business environment is a proven approach to achieving these goals.

Recognizing that providing resources to promote an innovation infrastructure would encourage Hawaii's creative and entrepreneurial talent to remain in Hawaii and develop ideas into high growth business ventures that would contribute to diversifying the State's economy and create jobs, the Legislature passed H.B. No. 858 C.D. 1, Regular Session of 2013, enacted as Act 274, Session Laws of Hawaii 2013, which appropriated funds for the HI Growth Initiative. However, funding is still needed to continue the momentum of, and recent success experienced by, the HI Growth Initiative.

While your Committee realizes that providing resources to promote an innovation economy helps to develop long-term economic growth, your Committee also notes that continuing to support agriculture as an economic driver in the State, particularly for the island of Hawaii, through growth and diversification of the agricultural industry is also critical to the State's economic growth. Accordingly, your Committee has amended this measure by inserting language that:

- (1) Authorizes the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform:
 - (A) Planning and feasibility studies for one or more quarantine inspection, quarantine treatment, deconsolidation, and consolidation facilities on the island of Hawaii; and
 - (B) A marketing and economic impact analysis for one or more of the facilities;
- (2) Requires the Department of Business, Economic Development, and Tourism to submit a report to the Legislature on the studies and analysis; and

- (3) Appropriates unspecified funds for the economic analysis.

Technical, Nonsubstantive amendments have also been made for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 718, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 718, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1143-14 Economic Development & Business on S.B. No. 3082

The purpose of this measure is to increase economic development in the State through promotion of manufacturing by establishing a temporary nonrefundable income tax credit for qualified manufacturing costs incurred for manufacturing products in Hawaii.

The Department of Business, Economic Development, and Tourism, The Chamber of Commerce of Hawaii, Hawaii Food Industry Association, High Technology Development Corporation, and Hawaii Farm Bureau Federation testified in support of this bill. The Hawaii Strategic Development Corporation testified in support of the intent of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments.

As one of the most isolated land masses on Earth, Hawaii must import approximately ninety percent of all products consumed annually. However, manufacturers in Hawaii produce goods that are in demand across the United States and around the world. Thus, developing and supporting manufacturing in Hawaii could serve two purposes. First, in-state manufacturing could reduce Hawaii's need to import consumer products. Second, Hawaii could export more products made in-state leading to greater economic development.

According to the Chamber of Commerce of Hawaii, Hawaii has over 1,000 active manufacturers employing approximately 17,000 workers and contributing to the economy by exporting manufactured goods. The Chamber of Commerce estimates that in 2012, nearly \$570,000,000 in manufactured goods were exported from Hawaii. Providing a manufacturing tax credit would provide financial benefits to these manufacturers, thereby increasing their growth. The tax credit would also encourage other manufacturers to begin operations in Hawaii, thereby strengthening Hawaii's economy.

However, your Committee notes the staffing and funding concerns of the Department of Business, Economic Development, and Tourism to fulfill the obligation to certify the tax credits required under this measure and the concerns raised by the Department regarding the Department's access to, and authority to maintain, confidential taxpayer records. Your Committee respectfully requests the Committee on Finance to further review these concerns.

Your Committee also notes the questions raised by the Department of Taxation regarding specific eligibility and qualifying criteria for the tax credit, concerns that the same manufacturing tax credit for the purchase of machinery and equipment may be claimed by more than one taxpayer, and that manufacturers operating in the State's Enterprise Zone Program may use both the manufacturing tax credit provided for in this measure and the general excise tax credit under the Enterprise Zone Program. While your Committee requests the Committee on Finance to review these concerns, your Committee also requests the Committee on Finance to take into consideration the recommendations of the Chamber of Commerce that the manufacturing tax credit and the Enterprise Zone Program tax credit be allowed to co-exist.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3082, S.D. 2, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ohno.

SCRep. 1144-14 Economic Development & Business on S.B. No. 2197

The purpose of this measure is to incentivize renewable energy production that is more responsive to the State's actual needs by:

- (1) Establishing a renewable fuels production tax credit; and
- (2) Repealing the ethanol facility tax credit.

The Hawaii Renewable Energy Alliance; Ulupono Initiative; Pacific Biodiesel Technologies; Maui Recycling Services; Renewable Energy Action Coalition of Hawaii; and numerous concerned individuals testified in support of this measure. The Department of the Attorney General; Department of Business, Economic Development and Tourism; Department of Taxation; and Tax Foundation of Hawaii provided comments.

Hawaii is one of the most isolated land masses on Earth and lacks the means of production for traditional petrochemical fuels. Hawaii imports nearly 90 percent of its energy supply, including various forms of fossil fuel. This makes the state extremely vulnerable to soaring prices or market disruptions which can hinder, cripple, or even devastate the State's economy and the well-being of its residents. Thus, it is critical for Hawaii to become more energy self-sufficient. The establishment of a renewable fuels production tax credit has the potential to significantly increase renewable energy growth in Hawaii and address our future energy needs.

However, your Committee notes that concerns were raised by proponents of this measure regarding the clarity of the definition of "renewable feedstocks". Furthermore, the Department of the Attorney General noted that the current definition of "renewable feedstock" being used in this measure may establish a geographic limitation on interstate commerce and therefore violate the Commerce Clause of the United States Constitution. As such, your Committee requests the proponents of this measure to work with the Attorney General to develop language to address this issue. In addition, it is the intent of your Committee, through the Committee Chair, to request an opinion from the Attorney General on this matter.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your

Committee is in accord with the intent and purpose of S.B. No. 2197, S.D. 2, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ohno.

SCRep. 1145-14 Economic Development & Business on S.B. No. 2198

The purpose of this measure is to create a Renewable Fuels Task Force within the Department of Business, Economic Development, and Tourism to perform a feasibility study on:

- (1) Requiring locally produced renewable fuels to account for at least ten percent of a distributor's annual sales of fuels for motor vehicles;
- (2) Requiring a mixture of up to five percent of locally produced biofuels to be included in purchasable diesel fuels; and
- (3) Locally produced renewable fuels that meet relevant international specifications.

The Alliance of Automobile Manufacturers, Pacific Biodiesel Technologies, and Hawaii Renewable Energy Alliance testified in support of this measure. The Department of Business, Economic Development, and Tourism testified in support of the intent of this bill. Chevron Products Company and Hawaii Independent Energy provided comments.

In recent years, Hawaii has seen significant growth in renewable energy adoption moving the State toward its renewable energy goals. However, while Hawaii locally produces about 14 percent of its electricity from renewable sources, including photovoltaic systems and wind energy, far less renewable fuels are used, particularly for transportation needs.

As transportation fuels account for about two-thirds of all the energy consumed in Hawaii and nearly all of Hawaii's energy for transportation comes from imported fuels, Hawaii finds itself far behind in achieving its renewable goals for transportation. Without increased renewable fuel production from sources indigenous to Hawaii, the State will have virtually no fuel available for critical transportation needs if and when imported fuels stop flowing to Hawaii.

Although attempts to provide energy independence from foreign oil and reduce statewide gasoline consumption through the use of locally produced ethanol have been tried in the past, further investigation and study of renewable fuels and biofuels as a source of renewable energy is needed due to changing technology, including mechanical requirements for the use of such fuels.

Your Committee finds that creating a task force to study the feasibility of requiring fuel sales to include locally produced renewable fuels and biofuels, and to propose related legislation, would advance the State's goals of decreasing dependence on foreign oil, reducing gasoline consumption, and producing fuels locally. However, your Committee also notes that Act 203, Session Laws of Hawaii 2011, required the Department of Business, Economic Development, and Tourism to conduct a study on the conditions and policies necessary to expand biofuel production in the State to displace a significant amount of petroleum-based liquid fuel. Your Committee has been informed that the report required by that Act has been submitted to the Legislature but your Committee has not had the opportunity to review the report.

As that report is relevant to the measure at hand, your Committee requested the Department of Business, Economic Development, and Tourism to provide copies of the report to committee members for review and to provide copies of the report to the Committee on Finance. Your Committee also respectfully requests the Committee on Finance to review the report when considering whether to proceed on this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2198, S.D. 1, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1146-14 Consumer Protection & Commerce on S.B. No. 2365

The purpose of this measure is to limit the reimbursement of prescription medications to prevent drug prices from becoming an unreasonable cost driver of health care in workers' compensation and motor vehicle insurance claims, while ensuring the same standard of service and care intended for both injured employees under the workers' compensation law and injured individuals under the motor vehicle insurance law.

The Department of Human Resources Development; Department of Human Resources City and County of Honolulu; Hawaiian Electric Company, Inc.; Maui Electric Company, Ltd.; Hawaii Electric Light Company, Inc.; GEICO; and National Association of Mutual Insurance Companies testified in support of this measure. Two concerned individuals testified in opposition to this measure. The Department of Labor and Industrial Relations; Department of Commerce and Consumer Affairs; Automated Healthcare Solutions; Work Injury Medical Association of Hawaii; Property Casualty Insurers Association of America; Chamber of Commerce Hawaii; Hawaii Insurers Council; and Hawaii Medical Association commented on this measure.

Your Committee has amended this measure by removing "major" from the phrase "major retail pharmacy" to include smaller pharmacies throughout the state when determining the availability of a prescription drug in the state for reimbursement purposes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2365, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2365, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1147-14 Consumer Protection & Commerce on S.B. No. 2948

The purpose of this measure is to clarify the authority of the chairperson of the Public Utilities Commission concerning operational expenditures and the hiring and retention of agency personnel.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs, Hawaii Energy Policy Forum, Hawaii Renewable Energy Alliance, and Life of the Land testified in support of this measure. The Public Utilities Commission and Department of Budget and Finance provided comments on this measure.

Your Committee held a public hearing that included discussion and public testimony on both this measure and S.B. No. 451, S.D.1 (2013). Upon careful consideration, your Committee has amended this measure by adopting the recommendation of the Public Utilities Commission, to replace the contents of this measure with those of S.B. No. 451, S.D.1, and add further amendments.

The measure, as amended:

- (1) Specifies that the Public Utilities Commission is transferred from its administrative placement within the Department of Budget and Finance to be a semi-autonomous agency that is administratively attached to the Department of Commerce and Consumer Affairs, which can provide the Commission with the additional administrative support resources it needs;
- (2) Increases the compensation of the chairperson and commissioners of the Public Utilities Commission;
- (3) Clarifies that notwithstanding section 26-35, Hawaii Revised Statutes, the Public Utilities Commission has authority concerning standard administrative practices, including operational expenditures and the hiring of personnel;
- (4) Changes the position title of the Commission's chief administrator to executive officer to reflect the position's increased management responsibilities;
- (5) Enables the chairperson of the Public Utilities Commission to appoint, employ, and dismiss a fiscal officer and a personnel officer to further support the administrative activities of the Commission;
- (6) Establishes the position of executive director of the Division of Consumer Advocacy which shall be the consumer advocate;
- (7) Appropriates funds to assist with the transition of the Public Utilities Commission and for the hiring of an executive officer, a fiscal officer, and a personnel officer within the Public Utilities Commission;
- (8) Provides that the Public Utilities Commission Special Fund shall be used for costs incurred by the Department of Commerce and Consumer Affairs for administrative support services for the Commission;
- (9) Contains an effective date of July, 1, 2112, to encourage further discussion; and
- (10) Makes technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2948, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1148-14 Consumer Protection & Commerce on S.B. No. 2469

The purpose of this measure to improve access to health care services in the State by, among other things:

- (1) Requiring equivalent insurance reimbursement for services provided by a health care provider to a patient, regardless of whether the service is provided through telehealth or via face-to-face contact between a health care provider and patient;
- (2) Clarifying the definition of health care provider for telehealth purposes; and
- (3) Replacing references to "telemedicine" with "telehealth" and clarifying the definition of "telehealth" throughout the Hawaii Revised Statutes.

The Healthcare Transformation Coordinator, Office of the Governor; Office of Hawaiian Affairs; State Council on Developmental Disabilities; Department of Health; Hawaii Medical Service Association; Healthcare Association of Hawaii; Hawaii State Center for Nursing; Hawaii Medical Association; Hawaii Pacific Health; Hawaii Disability Rights Center; American Association of Nurse Practitioners; and numerous concerned individuals testified in support of this measure. A concerned individual testified in opposition to this measure. The Department of Human Services and the Hawaii Medical Board commented on this measure.

Your Committee has amended this measure by clarifying that a provider of telehealth includes primary care providers, mental health providers, physicians and osteopathic physicians, advanced practice registered nurses, psychologists, and dentists.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2469, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2469, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1149-14 Health/Consumer Protection & Commerce on S.B. No. 2470

The purpose of this measure, as received by your Committees, is to amend the composition and procedures of the Board of Directors of the Hawaii Health Connector (Hawaii Health Connector Board) by, among other things:

- (1) Lowering the number of members on the Hawaii Health Connector Board to 12, with a maximum of nine total voting members;
- (2) Removing members representing insurers and dental benefit providers from the Hawaii Health Connector Board;
- (3) Authorizing the Governor to designate one representative from a list of state agencies to serve as the State's official voting representative on the Hawaii Health Connector Board;
- (4) Requiring all other listed state agency representatives to be ex officio nonvoting members of the Hawaii Health Connector Board;
- (5) Requiring the Governor to notify the Hawaii Health Connector Chair regarding the selection of the designated voting and nonvoting state representative members of the Hawaii Health Connector Board; and
- (6) Establishing procedures for filling vacancies on the Hawaii Health Connector Board.

For purposes of facilitating public input on this measure, your Committees gave notice of and held a public hearing on a proposed draft of this measure. The proposed draft circulated by your Committees, among other things:

- (1) Provides that the Hawaii Health Connector is a nonprofit incorporated entity;
- (2) Specifies that the official designation of the Hawaii Health Connector is the State of Hawaii Health Insurance Exchange;
- (3) Establishes a Consumer, Patient, Business, and Health Care Advisory Group; Health Insurers Advisory Group; and Insurance Producers Advisory Group to provide input and recommendations to the Hawaii Health Connector Board;
- (4) Establishes the Hawaii Health Connector Oversight Council within the Department of Commerce and Consumer Affairs to oversee the activities of the Hawaii Health Connector;
- (5) Authorizes certified insurance agents and brokers to:
 - (A) Enroll individuals and employers in qualified plans through the Hawaii Health Connector; and
 - (B) Assist individuals and employers in applying for applicable premium tax credits and cost-sharing reductions;
- (6) Until June 30, 2018, requires the Hawaii Health Connector Board to submit a sustainability plan annually to the Hawaii Health Connector Oversight Council and the Insurance Commissioner on the amount of funding required to finance the operations and cash reserve of the Hawaii Health Connector for each ensuing fiscal year beginning July 1;
- (7) Establishes the Hawaii Health Insurance Exchange Special Fund into which legislative appropriations to the fund are to be deposited, and requires that the fund be audited annually by an independent auditor;
- (8) Dissolves the Hawaii Health Insurance Exchange Special Fund on June 30, 2018, and specifies that all unencumbered and unexpended moneys remaining on balance in the fund on that date lapse into the general fund;
- (9) Provides that the debts and liabilities of the Hawaii Health Connector shall not constitute the debts and liabilities of the State;
- (10) Removes the authority of the Hawaii Health Connector to charge assessments or user fees to participating health and dental carriers to support its operations, but allows the Hawaii Health Connector to charge fees for displaying advertisement for ancillary services on its website;
- (11) Clarifies the purposes of the Hawaii Health Connector to specify performing any and all other duties required of a health insurance exchange pursuant to the federal Patient Protection and Affordable Care Act;
- (12) Reduces the number of members on the Hawaii Health Connector Board from 15 members to 10 members, of which seven will be voting members, and changes its composition;
- (13) Sets forth the education, training, and professional experience necessary, and the background and expertise to be considered, for individuals to serve on the Hawaii Health Connector Board;
- (14) Appropriates general funds for Fiscal Year 2014-2015 for:
 - (A) Necessary expenses of the members of the Consumer, Patient, Business, and Health Care Advisory Group; Health Insurers Advisory Group; Insurance Producers Advisory Group; and Hawaii Health Connector Oversight Council; and
 - (B) Deposit into the Hawaii Health Insurance Exchange Special Fund for the sustainability of the Hawaii Health Connector; and
- (15) Appropriates funds out of the Hawaii Health Insurance Exchange Special Fund for Fiscal Year 2014-2015 for the operations of the Hawaii Health Connector.

Your Committees received testimony from the following organizations and individuals on S.B. No. 2470, S.D. 1, and on the proposed draft:

S.B. No. 2470, S.D. 1: The Community Alliance for Mental Health, United Self Help, and an individual supported this measure. The Chamber of Commerce of Hawaii and Hawaii Business League opposed this measure. The Hawaii Primary Care Association submitted comments.

S.B. No. 2470, S.D. 1, Proposed Draft H.D. 1: The Office of the Governor, Department of the Attorney General, Hawaii Health Connector and its Board of Directors, Advantage Insurance Services, Inc., NAIFA Hawaii, AARP, and Hawaii Medical Service Association submitted comments.

Upon consideration of this measure in the form in which it was received and in the form of the proposed draft, your Committees have adopted the proposed draft and have further amended it by:

- (1) Providing that notwithstanding Chapter 414D, Hawaii Revised Statutes, (Hawaii Nonprofit Corporations Act), the Hawaii Health Connector shall be governed by a Board of Directors; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As of the date of the public hearing, your Committees have not received a sustainability plan from the Hawaii Health Connector. As such, absent the sustainability plan, including any clarity on the amount of the funds being sought, your Committees respectfully request that the House Committee on Finance take a cautious approach and appropriate the sums of \$1 for each of the appropriations specified in this bill at this time to facilitate further discussion.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2470, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2470, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Lee.

SCRep. 1150-14 Health/Consumer Protection & Commerce on S.B. No. 2827

The purpose of this measure is to support the State's commitment to health care transformation by:

- (1) Establishing the Office of Health Care Transformation and the position of Health Care Transformation Officer within the Department of Health as a permanent continuation of the health care planning and policy work begun by the Governor's temporary Health Care Transformation Project;
- (2) Establishing the Health Care Transformation Special Fund to receive public and private funds to support the Office of Health Care Transformation; and
- (3) Making administrative amendments to existing statutes, including changing the names of certain Department of Health agencies, to reflect the transferred functions.

For purposes of facilitating public input on this measure, your Committees gave notice of and held a public hearing on a proposed draft of this measure. The proposed draft circulated by your Committees retains the provisions contained in S.B. No. 2827, S.D.2, and in addition:

- (1) Establishes and funds the State Innovation Waiver Task Force to be attached to the Office of the Governor until its repeal on June 30, 2017, to examine and plan for permissible alternatives to certain requirements for a state health insurance exchange and provision of health insurance coverage under the federal Patient Protection and Affordable Care Act to accommodate Hawaii's unique market conditions; and
- (2) Requires the Task Force to submit reports to the Legislature containing findings, recommendations, and proposed legislation and prepare a draft application for a State Innovation Waiver to allow the State to pursue alternative health coverage strategies as permitted by federal law.

Your Committees received testimony from the following organizations and individuals on S.B. No. 2827, S.D. 2:

The Office of the Governor, Community Alliance for Mental Health, United Self Help, East Hawaii Regional Chief Executive Officer for the Hawaii Health Systems Corporation, Hawaii Association of Health Plans, Hawai'i Pacific Health, Ho'ola Lahui Hawaii, Hawaii Primary Care Association, and several individuals supported this measure. One individual opposed this measure. The Hawaii Health Information Exchange submitted comments on this measure.

Your Committees received testimony in support of S.B. No. 2827, S.D. 2, H.D. 1, Proposed Draft from the Department of Health, Hawaii Medical Service Association, Kaiser Permanente Hawaii, Hawaii Pacific Health, and The Queen's Health Systems.

Upon consideration of this measure in the form in which it was received and in the form of the proposed draft, your Committees have adopted the proposed draft and amended it further by:

- (1) Adding new language that extends the operations of the Health Care Transformation Project within the Governor's Office through June 30, 2017, and appropriating funds for the Project;
- (2) Specifying that the transfer of functions to and operation of the Office of Health Care Transformation shall take effect on July 1, 2017;

- (3) Amending the membership of the State Innovation Waiver Task Force; and
- (4) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2827, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2827, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har and Lee.

SCRep. 1151-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 233

The purpose of this measure is to honor the dignity and memory of Queen Liliuokalani by requiring the Department of Accounting and General Services to change the dates inscribed on the Queen Liliuokalani memorial statue, situated on the grounds of the State Capitol, to reflect the dates of her coronation and death.

The Office of Hawaiian Affairs provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies provided testimony in opposition to this measure. The Department of Accounting and General Services provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 233, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1152-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2747

The purpose of this measure is to require the Departments of Transportation, Hawaiian Home Lands, and Land and Natural Resources, which are otherwise exempt from county subdivision ordinances, to submit project maps, final orders of condemnation, and recorded deeds and title transfers to county real property assessment administrators.

The Hawaii State Fire Council, Honolulu Fire Department, and Department of Budget and Fiscal Services of the City and County of Honolulu provided testimony in support of this measure. The Department of Hawaiian Home Lands, Department of Land and Natural Resources, Department of Transportation, Department of Finance of the County of Kauai, Real Property Tax Division of the County of Hawaii, and Real Property Assessment Division of the County of Maui provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2747, H.D. 1, and recommends that it be referred to the Committee on Transportation.

Signed by all members of the Committee except Representatives Nishimoto and Fale.

SCRep. 1153-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2874

The purpose of this measure is to require that at least one member of the Board of Land and Natural Resources have a background in native Hawaiian traditional and customary practices.

The Department of Land and Natural Resources, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and an individual provided testimony in support of this measure. The Office of Hawaiian Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2874 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1154-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2875

The purpose of this measure is to require the inclusion of a member with a background in native Hawaiian traditional and customary practices on the Endangered Species Recovery Committee of the Department of Land and Natural Resources.

The Office of Hawaiian Affairs, Department of Land and Natural Resources, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2875 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1155-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 2953

The purpose of this measure is to specify the distribution of royalties received by the State from geothermal resources located on lands under the jurisdiction of the Department of Hawaiian Home Lands by allocating 20 percent of royalties to the county in which the land is located and an unspecified percentage to the Department of Hawaiian Home Lands.

The Center for Hawaiian Sovereignty Studies provided testimony in opposition to this measure. The Department of the Attorney General; Department of Hawaiian Home Lands; Department of Land and Natural Resources; Office of Hawaiian Affairs; and Indigenous Consultants, LLC provided comments.

Your Committee has amended this measure by allocating to the Department of Hawaiian Home Lands 100 percent of the royalties received by the State from geothermal resources located on lands under the jurisdiction of the Department.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2953, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2953, S.D. 1, H.D. 2.

Signed by all members of the Committee.

SCRep. 1156-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 3063

The purpose of this measure is to facilitate conservation of the important cultural, historic, and natural resources found in Waipio Valley on Hawaii Island by:

- (1) Establishing a working group to develop an action plan regarding resource protection and conservation strategies; and
- (2) Appropriating funds to the Department of Land and Natural Resources to purchase land in Waipio Valley.

Two individuals provided testimony in support of this measure. Pohaha I Ka Lani and several individuals provided testimony in opposition to this measure. The Department of Land and Natural Resources, Bernice Pauahi Bishop Museum, and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the appropriation to the Department of Land and Natural Resources to purchase land in Waipio Valley; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3063, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 3063, S.D. 2, H.D. 1.

Signed by all members of the Committee.

SCRep. 1157-14 Ocean, Marine Resources, & Hawaiian Affairs on S.B. No. 3122

The purpose of this measure is to authorize the Office of Hawaiian Affairs (OHA) to pursue authorization to conduct residential development and to impose association fees on certain parcels of land in the Kakaako Makai area that were transferred to OHA through Act 15, Session Laws of Hawaii 2012 (Act 15), as part of the settlement of claims related to public land trust revenues.

The Aha Moku Advisory Committee, Native Hawaiian Chamber of Commerce, Pearl Harbor Hawaiian Civic Club, and several individuals provided testimony in support of this measure. The Kakaako Makai Community Planning Advisory Council, Kakaako United, Surfrider Foundation, Na Koa Ikaika, Malama Makaha, and several individuals provided testimony in opposition to this measure. The Department of the Attorney General, Office of Hawaiian Affairs, Hawaii's Thousand Friends, and a few individuals provided comments.

Your Committee has amended this measure by:

- (1) Amending its purpose section to make clear that its purpose is to increase OHA's ability to use some of the land conveyed to it by Act 15 to fulfill the State's and OHA's constitutional responsibility to better the conditions of native Hawaiians;
- (2) Identifying the parcels of land subject to this measure as Tax Map Key (1) 2-1-15-61 and Lots 1 and 9 of File Plan 2471 filed at the Bureau of Conveyances on February 23, 2010;
- (3) Specifying that the parcels of land identified as Tax Map Key (1) 2-1-15-61 and Lot 1 of File Plan 2471 are subject to a 400 foot height restriction; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3122, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 3122, S.D. 2, H.D. 2.

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

SCRep. 1158-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 2597

The purpose of this measure is to recognize the sacrifices and contributions of veterans from Hawaii who served in the Persian Gulf War, Operation Desert Storm, Operation Iraqi Freedom, Operation Enduring Freedom, Operation New Dawn, Global War on Terrorism, Homeland Defense, and Operation Noble Eagle, as well as those who have protected the borders of the United States by land, sea, and air, by authorizing the issuance of general obligation bonds and appropriating the proceeds from the sale of these bonds to the Office of Veterans' Services for the planning, design, and construction of a memorial at the State Veterans' Cemetery on Oahu, and replicas of the memorial at veterans' cemeteries on each neighbor island, honoring the veterans of these conflicts.

The State Department of Defense; Office of Veterans' Services; National Association for Uniformed Services-Hawaii Chapter; Association of Hawaiian Civic Clubs; Military Officers Association of America, Hawaii Chapter; Department of Hawaii, Veterans of Foreign Wars of the United States; Advisory Board on Veterans' Services; and two concerned individuals testified in support of this bill.

Your Committee has amended this bill by:

- (1) Designating the memorial as the Hawaii Gulf War Memorial and specifying that it be located on the grounds of the Hawaii State Veterans Cemetery in Kaneohe, on the island of Oahu;
- (2) Specifying that replicas of the Memorial be located on the grounds of state veterans' cemeteries statewide;
- (3) Changing the method of financing for the Memorial from general obligation bonds to general funds;
- (4) Specifying that the Office of Veterans' Services shall consult with the Department of Accounting and General Services when expending funds for the planning, design, and construction of the Memorial; and
- (5) Making numerous technical, nonsubstantive amendments for clarity, consistency, and style.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that it consider appropriating \$5,000,000 for the planning, design, and construction of the Hawaii Gulf War Memorial and its replicas.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2597, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2597, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 1159-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 2617

The purpose of this measure is to amend design criteria, the projected date of installation, and the state agency tasked with carrying out the commission for works of art commissioned by the state to honor the late U.S. Senator Daniel K. Inouye and the late U.S. Representative Patsy T. Mink.

The Department of Accounting and General Services, State Foundation on Culture and the Arts, and United Public Workers, AFSCME, Local 646, AFL-CIO testified in support of this measure.

Your Committee has amended this bill by:

- (1) Restoring the requirement that the work of art honoring Senator Daniel K. Inouye be installed for unveiling on the second anniversary of his death;
- (2) Restoring the \$250,000 appropriation amount for commissioning the works of art as set forth in Act 281, Session Laws of Hawaii 2013; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2617, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2617, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cachola and McDermott.

SCRep. 1160-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 2598

The purpose of this measure is to recognize the significant contributions of African Americans in Hawaii and educate Hawaii's residents and visitors about the positive influence that African Americans have had on this State by establishing the Hawaii Commission on African American History and Culture and appropriating funds to the Office of the Governor for the operational expenses of the Commission.

The Hawaii Dr. Martin Luther King, Jr. Coalition, and several concerned individuals testified in support of this measure. Two individuals

provided comments.

Your Committee has amended this bill by:

- (1) Changing the composition of the Hawaii Commission on African American History and Culture to include five members appointed by the Governor; three members appointed by the Speaker of the House of Representatives; and three members appointed by the President of the Senate;
- (2) Deleting references to representatives from specific organizations to be included on the Commission; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2598, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2598, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1161-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 3125

The purpose of this measure is to ensure government transparency and accountability by requiring the State Auditor to conduct a financial and management audit of the State Foundation on Culture and the Arts.

The State Foundation on Culture and the Arts, Department of Accounting and General Services, Association of Hawaiian Civic Clubs, Honolulu Museum of Art, and a concerned individual testified in support of this measure.

Your Committee has amended this measure by adding two additional issues for the Auditor to determine when conducting the management and financial audit. Specifically:

- (1) Whether the current, independent financial audit performed annually for the State Foundation on Culture and the Arts, its affiliates, or pass through entities, is substandard; and
- (2) The specific amounts of money:
 - (A) Spent by the Department of Transportation on capital improvement construction for the enhancement of airport facilities;
 - (B) Being deposited into the works of art special fund as required by law; and
 - (C) From the works of art special fund being used solely to purchase works of art for these airport facilities.

Your Committee has also amended this bill by:

- (1) Changing its effective date to upon approval; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3125, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3125, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Brower and McDermott.

SCRep. 1162-14 Health on S.B. No. 2194

The purpose of this measure is to provide for the early detection and treatment of congenital heart defects on newborns by:

- (1) Requiring birthing facilities to perform a pulse oximetry test for critical congenital heart defects, as well as other procedures specified by American Academy of Pediatrics guidelines, on every newborn in its care prior to discharge from the birthing facility; and
- (2) Appropriating funds for Fiscal Year 2014-2015 for a program for critical congenital heart defect screening on newborns using pulse oximetry.

The Queen's Health Systems and the March of Dimes Hawaii Chapter supported this measure. The Department of Health, American Heart Association, Kapi'olani Medical Center for Women & Children, Kaiser Permanente Hawaii, and an individual commented on this measure.

It is your Committee's understanding that Hawaii Health Systems Corporation facilities are the only birthing facilities that are not conducting critical congenital heart defect screening on newborns using pulse oximetry at this time.

Accordingly, your Committee has amended this measure by:

- (1) Requiring birthing facilities to perform pulse oximetry tests or other medically accepted tests that measure the percentage of blood

oxygen saturation as approved by the guidelines of the American Academy of Pediatrics;

- (2) Requiring birthing facilities to report certain data and information regarding critical congenital heart defect screening to the Department of Health for quality improvement purposes;
- (3) Appropriating funds for Fiscal Year 2014-2015 to the Hawaii Health Systems Corporation to conduct critical congenital heart defect screening on newborns at its facilities;
- (4) Changing its effective date to July 1, 2050; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2194, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2194, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Carroll.

SCRep. 1163-14 Health on S.B. No. 2235

The purpose of this measure is to improve the health of Hawaii's students by expanding the physical examination for public school students to include completion of a physical examination within 12 months before the date of attending seventh grade in addition to the examination required before attending school for the first time.

The Department of Health, Hawai'i Pacific Health, Hale Kipa, Hawaii Chapter of the American Academy of Pediatrics, Hawaii Primary Care Association, Kaiser Permanente Hawaii, John A. Burns School of Medicine, Waianae Coast Comprehensive Health Center, and a few individuals supported this measure. A concerned individual opposed this measure. The Department of Education commented on this measure.

Your Committee has amended this measure by requiring and appropriating funds for:

- (1) The Board of Education to establish a pilot program in one complex area, under which no child may attend seventh grade without presenting to the school, documentation of a physical examination performed within six months of the first date of attending school; and
- (2) The Department of Health to establish, or enter into partnerships or agreements to administer, a school-based dental sealant program in a high-need demonstration school to provide sealants to high-risk students with susceptible permanent molar teeth; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2235, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2235, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1164-14 Health on S.B. No. 2264

The purpose of this measure is to establish hospital requirements regarding lay caregivers, which include:

- (1) Allowing patients or patients' legal guardians, within 24 hours following a patient's entry into the hospital, the opportunity to designate one or more lay caregivers in the patient's medical record;
- (2) Authorizing hospitals to:
 - (A) Notify a patient's caregiver of the patient's discharge or transfer to another licensed facility; and
 - (B) Consult with a patient's lay caregiver regarding the lay caregiver's capabilities and limitations and issue a discharge plan that describes a patient's after-care at the patient's residence; and
- (3) Providing immunity to hospitals and hospital employees for causes of action against them with regard to this measure.

The Hawaii County Office of Aging, Hawaii Family Caregiver Coalition, Hawaii Alliance for Retired Americans, American Cancer Society Cancer Action Network, Hawaii Primary Care Association, and several individuals supported this measure. The Chamber of Commerce of Hawaii, Healthcare Association of Hawaii, Hawaii Association for Justice, and Hawai'i Pacific Health opposed this measure. The Councilmember of District 5 of the City and County of Honolulu, The Queen's Health System, Kaiser Permanente Hawaii, and ILWU Local 142 commented on this measure.

Your Committee has amended this measure by:

- (1) Amending the definition of "lay caregiver" to include the requirement that after-care be provided without compensation;
- (2) Specifying that designation of a lay caregiver obligates the individual to perform after-care for the patient;

- (3) Deleting provisions authorizing hospitals to provide lay caregivers with instruction in after-care;
- (4) Appropriating funds to the Hawaii Health Systems Corporation for Fiscal Year 2014-2015 to implement lay caregiving in its facilities;
- (5) Changing its effective date to July 1, 2150; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

At the public hearing, your Committee noted that in 2009, the State received a \$1.1 million grant for discharge planning purposes. To support further legislative deliberations, your Committee requests the Executive Office on Aging to provide to the House Committee on Finance, a report on the planning process encompassed by the grant, including how the moneys were used. Your Committee also respectfully requests the House Committee on Finance to consider whether hospitals should be required to implement lay caregiving as specified in this measure and the role, if any, that insurance, including private insurance, assumes or should assume to support lay caregivers.

Your Committee also wishes to note that assuming a 25 percent personal cost increase, HHSC hospitals will require an additional appropriation of \$1.675 million annually to comply with the lay caregiving provisions in this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2264, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2264, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1165-14 Health on S.B. No. 2853

The purpose of this measure is to clarify the conditions under which adult foster homes for individuals with developmental or intellectual disabilities may be certified by the Department of Health by:

- (1) Prohibiting legal guardians, trustees, and relatives of residents from acting as certified caregivers in a certified adult foster home;
- (2) Limiting the total number of foster children and adults with developmental or intellectual disabilities in a dually certified home to three instead of five, and exempting foster homes already certified under existing requirements; and
- (3) Prohibiting the Department of Human Services from dually certifying any existing certified adult foster home as a foster boarding home for children.

The Department of Health and State Council on Developmental Disabilities supported this measure. The Hawaii Disability Rights Center and a concerned individual opposed this measure. The Department of Human Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Eliminating the prohibition against legal guardians, trustees, and relatives acting as certified caregivers for individuals with intellectual or developmental disabilities in a certified adult foster home;
- (2) Granting the Director of Health discretion to allow an adult foster home to house up to three adults with developmental or intellectual disabilities if one of the disabled adults is related to the certified caregiver;
- (3) Limiting rather than prohibiting dual certification of an existing adult foster home as a foster boarding home for children;
- (4) Changing its effective date to January 1, 2150, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2853, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2853, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Creagan and Oshiro.

SCRep. 1166-14 Health on S.B. No. 2032

The purpose of this measure is to protect medical professionals by expanding the scope of the offense of Assault in the Second Degree to protect additional types of medical professionals, including those working in a medical clinic or federally qualified health center, as opposed to just emergency services personnel or medical professionals working in a hospital emergency room.

The Healthcare Association of Hawaii; Hawaii Pacific Health; United Public Workers, AFSCME, Local 646, AFL-CIO; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Hawaii Primary Care Association; Kaiser Permanente Hawaii; The Queen's Medical Center; Hawaii State Center for Nursing; 1,978 "Conventional People"; and two concerned individuals testified in support of this measure. The Hawaii Association of Professional Nurses provided comments.

Your Committee has amended this measure by:

- (1) Including certified nurse midwives and clinical nurse specialists as medical service providers protected by this offense by replacing the terms "nurse practitioners" and "certified registered nurse anesthetists" with the term "advanced practice registered nurses," which is the ubiquitous licensing title for all nurses listed herein;
- (2) Making it effective on July 1, 2014; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2032, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2032, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1167-14 Health on S.B. No. 2574

The purpose of this measure is to allow for medical marijuana patients to have more certification options by additionally permitting a board certified pain specialist physician, oncologist, ophthalmologist, or board certified palliative care physician to issue a written certification to a patient for medical marijuana treatment.

Two concerned individuals testified in support of this measure. The Community Alliance on Prisons; Hawaiian Standard and Green Fortunes; Big Island Americans for Safe Access; and numerous concerned individuals testified in opposition to this measure. The Department of Health and several concerned individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the requirement that the certifying physician of a medical marijuana patient must be the primary care physician or other select subspecialist;
- (2) Clarifying that the Department of Health will issue a registration card, not certificate, to medical marijuana patients who meet the medical marijuana registration requirements;
- (3) Specifying that the Department of Health shall charge no more than \$35 per year, rather than \$35 per year, to any medical marijuana patient who registers with the Department of Health to obtain authorization to use marijuana for medical purposes in compliance with the law;
- (4) Specifying requirements that the certifying physician shall adhere to in providing a written certification to a patient;
- (5) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2574, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2574, S.D. 1, H.D. 1, and be referred to the Committees on Judiciary and Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll and Hashem.

SCRep. 1168-14 Judiciary on S.B. No. 2246

The purpose of this measure is to appropriate funds for the payment of judgments and settlements for claims against the State, its officers, or employees.

Testimony in support of this measure was submitted by the Department of the Attorney General.

Your Committee acknowledges that the purpose of this measure is to satisfy judgments and settlements of claims against the State, its officers, or its employees by making appropriations out of the general fund or special funds such as the State Highway Fund. In the near future, it is your Committee's intent to review each claim, in conjunction with the Committee on Finance, to assess whether payments should instead be appropriated out of the budget or funds of the respective departments that have been sued.

Your Committee has amended this measure by adding four new claims at the request of the Department of the Attorney General. The four new claims appropriate an additional \$336,080.66 from the general fund.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2246, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2246, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Kawakami, Rhoads and Wooley.

SCRep. 1169-14 Judiciary on S.B. No. 225

The purpose of this measure is to clarify the rules for determining residency for election purposes by:

- (1) Establishing that "residence" and "domicile" have the same meaning and denote a permanent as opposed to temporary dwelling place, and defining temporary; and
- (2) Specifying that a person shall not be considered a resident of this State if the person declares residency in another state.

Ironworkers Stabilization supported this measure.

Your Committee has amended this measure by changing the effective date from July 1, 2050, to effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 225, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 225, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.

SCRep. 1170-14 Judiciary on S.B. No. 632

The purpose of this measure is to protect Hawaii's natural environment through consistent and uniform application of environmental laws by establishing environmental courts as divisions of the State's circuit courts to have exclusive, original jurisdiction over proceedings arising from specified environmental matters.

The Office of Hawaiian Affairs; Kipahulu Ohana, Inc.; Keep the Hawaiian Islands Beautiful; International Coastal Cleanup; Laakea Community, LLC; Zero Waste Kauai; Outdoor Circle; Hedonisia Hawaii Sustainable Community; and numerous concerned individuals testified in support of this measure. The Chamber of Commerce Hawaii, General Contractors Association of Hawaii, Building Industry Association of Hawaii, Land Use Research Foundation of Hawaii, Hawaii Cattlemen's Council, Hawaii Farm Bureau, and Hawaii Operating Engineers Industry Stabilization Fund testified in opposition to this bill. The Judiciary, Department of Land and Natural Resources, and Office of Planning provided comments.

Your Committee has amended this measure by:

- (1) Specifying that if there is not an adequate number of environmental cases to provide an environmental court judge with a full-time docket, the judge may hear cases arising from other areas of law; and
- (2) Making the effective date January 1, 2100, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 632, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 632, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami and Wooley.
(Representative McDermott voted no.)

SCRep. 1171-14 Judiciary on S.B. No. 2082

The purpose of this measure is to clarify that the fee schedule in section 501-218, Hawaii Revised Statutes, is not intended to be a comprehensive schedule of all fees payable under chapter 501, Hawaii Revised Statutes.

Specifically, the measure authorizes the Hawaii Supreme Court, by rule of court, to revise, amend, add to, or eliminate land court fees, or to prescribe additional fees as it deems reasonable.

The Judiciary and the Department of Land and Natural Resources provided testimony in support of the measure.

Your Committee has amended this measure by replacing its contents with the contents of H.B. No. 1636, which authorizes the Hawaii Supreme Court, Department of Land and Natural Resources, and Department of Accounting and General Services, by rule, to revise, amend, add to, or eliminate land court or Bureau of Conveyances fees, or to prescribe additional fees, for services provided by each respective agency. Your Committee has further amended the measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2082, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2082, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Kawakami and Wooley.
(Representative McDermott voted no.)

SCRep. 1172-14 Housing on S.B. No. 2266

The purpose of this measure is to finance the development of affordable rental housing and associated infrastructure by authorizing the issuance

of general obligation bonds to fund the Rental Housing Trust Fund and the Dwelling Unit Revolving Fund.

The Hawaii Housing Finance and Development Corporation, Chamber of Commerce of Hawaii, Hawai'i Appleseed Center for Law and Economic Justice, Partners in Care, PHOCUSED, Hawaii Primary Care Association, Community Alliance for Mental Health, United Self Help, Catholic Charities Hawaii, Hawaii Association of REALTORS, Hawaii Catholic Conference, and Land Use Research Foundation of Hawaii provided testimony in support of this measure. The Department of Budget and Finance and Building Industry Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Authorizing mixed-use developments encompassing commercial or revenue generating opportunities in conjunction with affordable rental projects on the same site;
- (2) Authorizing an exemption from the general excise tax, but not from county surcharges, for affordable housing development as mixed-use projects situated in location-efficient areas;
- (3) Requiring state agencies within such location-efficient areas to enter into a memorandum of understanding with the Department of Business, Economic Development, and Tourism to develop at least one mixed-use project in the area, unless exempted by the Department; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2266, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2266, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 1173-14 Agriculture on S.B. No. 2296

The purpose of this measure is to authorize the Department of Agriculture to select qualified applicants as back-up lessees when disposing of certain agricultural or non-agricultural park lands through the sealed bidding process.

In addition, the measure:

- (1) Authorizes the Department of Agriculture to negotiate with or offer leases to back-up lessees if the highest offering lessee fails to finalize a lease or satisfy conditions of the award; and
- (2) Confirms the eligibility criteria for lessees of agricultural park lands to that of lessees of non-agricultural park lands.

The Department of Agriculture and the Hawaii Farm Bureau Federation provided testimony in support of the measure. One individual provided comments.

Your Committee finds that the awarding of agricultural leases through sealed bidding is a time-consuming process for the Department of Agriculture. Your Committee believes that authorizing the Department to select qualified applicants as back-up lessees will save the Department significant time and resources in awarding agricultural leases.

Your Committee has amended this measure by:

- (1) For leases of agricultural park lands:
 - (A) Deleting the repeal of language that grants eligibility to any person who does not own agriculturally-zoned land of twenty-five acres or more in the State, individually or jointly with a spouse, or whose spouse does not own twenty-five acres or more of agriculturally-zoned land in the State; and
 - (B) Granting eligibility to any person who the Department of Agriculture determines has promoted the goals of the *Increased Food Security and Food Self-sufficiency Strategy*, as established by the Office of Planning in 2012, instead of on the basis of a finding by the Department that the person has a beneficial impact on agriculture; and
- (2) Changing the effective date from July 1, 2050, to upon approval.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2296, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2296, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Awana.

SCRep. 1174-14 Agriculture on S.B. No. 2658

The purpose of this measure is to facilitate the complementary uses of utility-scale solar energy generation and local food production on agricultural land with an overall productivity rating of class B or C.

Specifically, the measure increases the maximum acreage that solar energy facilities may occupy on agricultural lands with soil classified as overall productivity rating class B or C from ten per cent to thirty per cent of one parcel, or two or more adjacent parcels that meet county requirements for joint development; provided that:

- (1) A special use permit has been granted for the solar energy facilities;
- (2) The area occupied by the solar energy facilities is also made available for compatible agricultural activities at a lease rate that is at least fifty per cent below the fair market rent for comparable properties; and
- (3) The solar energy facilities shall be decommissioned and removed within twelve months of the conclusion of the operation.

The Department of Business, Economic Development, and Tourism, Hawaii Renewable Energy Alliance, First Wind Solar Group, Blue Planet Foundation, and Tin Roof Ranch provided testimony in support of this measure. The Department of Agriculture, Office of Planning, and Land Use Commission provided comments.

Your Committee finds that competition for the use of Hawaii's valuable land for sustainable purposes necessitates the most efficient and productive uses of land. Your Committee believes that, in limited circumstances and with specific conditions, the promotion of agricultural activities and clean energy, two vital requirements of sustainable living, will provide for more locally grown agricultural products and allow the State to meet its clean energy goals. Your Committee further finds that this measure will help to revitalize the agricultural industry and ultimately provide for a cleaner and healthier environment.

Your Committee has amended this measure by:

- (1) Deleting the increase to the maximum amount of the acreage of the parcel of land that solar energy facilities placed within agricultural lands with soil classified as overall productivity rating class B or C may occupy;
- (2) Deleting provisions relating to the placement of solar energy facilities on two adjacent parcels that meet county requirements for joint use;
- (3) Specifying that solar energy facilities on agricultural lands with soil classified as overall productivity rating class B or C may occupy more than ten per cent of the acreage of the parcel or twenty acres of land, whichever is lesser, if a special use permit is granted, the area is made available for compatible agricultural activities at a reduced lease rate, and facilities are decommissioned and removed within twelve months of the conclusion of operation;
- (4) Deleting the sunset date; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2658, S.D. 3, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2658, S.D. 3, H.D. 1, and be referred to the Committees on Energy & Environmental Protection and Water & Land.

Signed by all members of the Committee.

SCRep. 1175-14 Human Services/Housing on S.B. No. 2540

The purpose of this measure is to assist low-income and homeless individuals in obtaining affordable rental housing by establishing a rental deposit loan program within the Hawaii Housing Finance and Development Corporation.

The Hawaii Substance Abuse Coalition, Community Alliance for Mental Health, United Self Help, and a concerned individual testified in support of this measure. The Hawaii Housing Finance and Development Corporation; Housing Hawaii, Inc.; EAH Housing of Hawaii; PHOCUSED; and the Hawai'i Association of REALTORS provided comments on this measure.

Testimony by the Hawaii Housing Finance and Development Corporation opposed the designation of the Corporation as the administering agency, because the Corporation has no experience in administering contracts under Chapter 103F, Hawaii Revised Statutes. Accordingly, your Committees have amended this measure by:

- (1) Establishing the rental deposit loan program within the Department of Human Services instead of the Hawaii Housing Finance and Development Corporation;
- (2) Requiring a two-party contract between the tenant and the nonprofit organization operating the program in order to participate in the program, instead of a three-party contract between the tenant, the nonprofit organization, and the rental property owner; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2540, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2540, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Jordan and Fukumoto.

SCRep. 1176-14 Human Services on S.B. No. 2009

The purpose of this measure is to expand health care services for uninsured, underinsured, and underserved low-income individuals. Specifically, this measure appropriates funds to:

- (1) Provide primary medical, dental, and behavioral health care to uninsured and underinsured patients;
- (2) Restore basic adult dental benefits to Medicaid enrollees;
- (3) Provide outreach and eligibility services at Federally Qualified Health Centers;
- (4) Establish a health homes program in the Medicaid program and at Federally Qualified Health Centers; and
- (5) Provide behavioral health services at Federally Qualified Community Health Centers.

The Office of the Governor, Department of Health, State Council on Developmental Disabilities, Community Alliance for Mental Health, United Self Help, Ho'ola Lahui Hawai'i, Waimanalo Health Center, Hawaii Primary Care Association, Waianae Coast Comprehensive Health Center, and several concerned individuals testified in support of this measure. The Department of Human Services provided comments on this measure.

Should your Committee on Finance choose to hear this measure, your Committee respectfully requests the Committee on Finance to include the following appropriation amounts in its deliberations:

- (1) \$6,000,000 for fiscal year 2014-2015 for the provision of direct health care for uninsured and underinsured individuals;
- (2) \$4,000,000 for fiscal year 2014-2015 to re-establish adult dental benefits for Medicaid enrollees;
- (3) \$987,000 for fiscal year 2014-2015 for outreach and eligibility services at Federally Qualified Health Centers; and
- (4) \$3,016,000 for fiscal year 2014-2015 to secure matching funds to establish a health homes program in the Medicaid program; \$1,000,000 of which shall provide staff and administrative support for administration of the program.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2009, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2009, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1177-14 Human Services on S.B. No. 2205

The purpose of this measure is to ease some of the financial burden on low- and moderate-income working families by creating a state earned income tax credit equal to 10 percent of the taxpayer's federal earned income tax credit.

The Hawai'i State Democratic Women's Caucus, Hawaii State Commission on the Status of Women, League of Women Voters of Hawaii, Aloha United Way, Catholic Charities Hawai'i, Partners in Care, PHOCUSED, Hawai'i Appleseed Center for Law and Economic Justice, Americans for Democratic Action of Hawai'i, Hawai'i Alliance for Community-Based Economic Development, ILWU Local 142, Goodwill Industries of Hawaii, Hawaii Catholic Conference, Office of Hawaiian Affairs, Hawaii Women's Coalition, and several concerned individuals testified in support of this measure. A concerned individual opposed this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2080, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Although there were numerous questions raised regarding the income tax credit contained in this measure, your Committee finds that the potential benefits to low- and moderate-income families deserve further consideration. As such, your Committee requests your Committee on Finance to continue this discussion should your Committee on Finance choose to hear this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2205, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2205, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1178-14 Human Services on S.B. No. 2202

The purpose of this measure is to reduce the financial burden on Hawaii's lower income taxpayers by amending the refundable food/excise tax credit and adjusting the income thresholds for inflation.

The Hawai'i State Democratic Women's Caucus, Aloha United Way, Catholic Charities Hawai'i, Hawai'i Appleseed Center for Law and Economic Justice, Partners in Care, PHOCUSED, Americans for Democratic Action/Hawaii, Hawai'i Alliance for Community-Based Economic

Development, ILWU Local 142, Chamber of Commerce for Persons with Disabilities, Goodwill Industries of Hawaii, Hawaii Women's Coalition, and several concerned individuals testified in support of this measure. The League of Women Voters of Hawaii supported the intent of this measure. The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee received testimony on this measure expressing concern with the deletion of the residency requirement in conjunction with a tax credit that is refundable. This combination could allow a nonresident of the State to file a tax return claiming the tax credit while claiming no Hawaii income, resulting in the State being required to write the nonresident a refund check although that individual may have no income or other economic ties to the State.

Your Committee has amended this measure by:

- (1) Restoring the requirement that a person claiming a qualified exemption shall have physically resided in the State for more than nine months during the taxable year;
- (2) Removing the term "resident" where it occurred elsewhere in this measure; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes the recommendation of the Department of Taxation that this measure include a purpose clause to articulate the legitimate state interest served. The Department of Taxation and Department of the Attorney General have offered to collaborate to provide suggested language. Should your Committee on Finance choose to hear this measure, your Committee respectfully recommends further discussion of this issue.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2202, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2202, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1179-14 Energy & Environmental Protection on S.B. No. 2196

The purpose of this measure is to facilitate alternative energy research and production in the State by:

- (1) Re-establishing the Energy Systems Development Special Fund;
- (2) Allocating a portion of revenues collected from the Environmental Response, Energy, and Food Security Tax for deposit into the Energy Systems Development Special Fund; and
- (3) Changing the amount of allocations of revenues from the foregoing tax to other special funds and extending authorization for these funds to use this tax as a funding source to June 30, 2030.

The Department of Agriculture; Department of Health; Hawaii Natural Energy Institute at the University of Hawaii; Hawaii Energy Policy Forum; Hawaii Automobile Dealers Association; Hawaii Center for Advanced Transportation Technologies; Nature Conservancy; Ulupono Initiative; Americans for Democratic Action; Hawaii Green Growth; Renewable Energy Action Coalition of Hawaii; and BluePlanet Foundation testified in support of this measure. The Chamber of Commerce Hawaii and a concerned individual testified in opposition to this measure. The Department of Budget and Finance; Department of Taxation; Public Utilities Commission; Department of Business, Economic Development, and Tourism; and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by:

- (1) Amending the purpose of the Hydrogen Investment Capital Special Fund to be for the development of hydrogen production, storage, and dispensing infrastructure;
- (2) Directing the Director of Finance to make a one-time deposit of a portion of the revenues collected from the Environmental Response, Energy, and Food Security Tax into the Hydrogen Investment Capital Special Fund but leaving the deposit amount unspecified to facilitate further discussion as this measure proceeds forward in the legislative process; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2196, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2196, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

(Representatives Hanohano, Say and Fale voted no.)

SCRep. 1180-14 Energy & Environmental Protection/Consumer Protection & Commerce on S.B. No. 2934

The purpose of this measure is to authorize the Public Utilities Commission to establish community-based renewable energy tariffs so that electric utility customers may own portions of a renewable energy facility that sells energy to the utility, regardless of the physical siting or interconnection of the renewable energy facility.

Inter-Island Solar Supply; Hawaiian Electric Company, Inc.; Maui Electric Company; Hawaii Electric Light Company; and several concerned individuals testified in support of this measure. The Public Utilities Commission; Division of Consumer Advocacy, Department of Commerce and Consumer Affairs; Blue Planet Foundation; and several concerned individuals commented on this measure.

Your Committees have amended this measure by:

- (1) Adopting the proposed amendments recommended by the Public Utilities Commission, which requires the Commission to:
 - (A) Establish a community-based renewable energy tariff that is in the public interest and non-discriminatory;
 - (B) Allow anyone to propose a community-based renewable energy project subject to Commission approval;
 - (C) Allow an electric utility to propose a community-based renewable energy project; and
 - (D) Standardize the tariff and related interconnection processes to the extent possible; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2934, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2934, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Lowen, Fale and McDermott.
(Representatives Hanohano, Ito and Say voted no.)

SCRep. 1181-14 Economic Development & Business/Water & Land on S.B. No. 3066

The purpose of this measure is to assist the State in addressing the economic challenges in developing infrastructure to meet the growing demand for public services by establishing the Public-Private Finance Initiative. The Initiative would identify suitable infrastructure projects, carry out appropriate analyses, enter into public-private agreements, and provide leadership for the facilitation of financing, improvement, or enhancement of appropriate facilities, operations, and property.

In addition, this bill:

- (1) Requires the Initiative to initiate a pilot project on specific state lands in Wahiawa (Pilot Project);
- (2) Requires the Initiative to submit a report on the status of the Pilot Project;
- (3) Prohibits the Initiative from planning or implementing any other projects other than the Pilot Project in Wahiawa; and
- (4) Appropriates unspecified funds for the establishment and operations of the Initiative, including the hiring of staff.

The Department of Business, Economic Development, and Tourism, Department of Accounting and General Services, and State Procurement Office testified in support of the intent of this bill. Hawaii's Thousand Friends and numerous concerned individuals testified in opposition to this measure. The Department of Budget and Finance and Office of Hawaiian Affairs provided comments.

An increasing need for public services, due in part to an increasing population, has put pressure on revenue resources for all levels of government. This was evident during the recent economic downturn faced by Hawaii and the rest of the nation. As a result, the State faces the challenge of balancing its budget while addressing escalating infrastructure and service needs. Creating a partnership agency to collaborate with all state agencies and private sector entities may help deliver these services and facilities more effectively, efficiently, and in a manner that is cost beneficial to the State. As such, the Initiative deserves further consideration.

However, your Committees note that many concerns were raised in testimony and during discussion on this bill including concerns that:

- (1) The State Procurement Office, the central authority on procurement statutes and rules for all government bodies of the State and its counties, does not have a designee on the Board of Directors of the Public-Private Finance Initiative as a voting member and that such a member should be included on the Board;
- (2) The Department of Business, Economic Development, and Tourism estimated that it would need approximately \$500,000 for fiscal year 2015, and the same sum each fiscal year thereafter, to establish and carry out the Public-Private Finance Initiative, which is not included in the Department's current budget request;
- (3) There is no clarity as to whether the State would be allowed to enter into debt with respect to the Public-Private Finance Initiative Program;
- (4) If the State would be allowed to enter into debt with respect to the Public-Private Finance Initiative program, the State's liability needs to be limited, as well as be reflected in the State's debt limit calculation;
- (5) The Aha Moku member of the Board of Directors of the Public-Private Finance Initiative be granted voting rights; the Initiative be narrowed in scope and required to adopt rules under Chapter 91, Hawaii Revised Statutes, if the Initiative is extended beyond its repeal date; and the Initiative be required to comply with pro-rata share requirements of public land trust lands if such lands are used by the Initiative; and

- (6) The legislation is vague in its specific purpose as to what it is exactly trying to accomplish with the use of lands in Wahiawa, although transit oriented development projects have been mentioned.

Accordingly, while your Committees note that this measure deserves further consideration and discussion, it is the intent of your Committees that the Public-Private Finance Initiative Program be authorized to establish only a single pilot project at a non-specific site. As such, your Committees have amended this measure by:

- (1) Specifying that the Public-Private Finance Initiative program is authorized to develop plans and implement one project on behalf of a public agency; and
- (2) Deleting the requirement that the Public-Private Finance Initiative initiate a pilot project on specific state lands in Wahiawa and instead leaving the project site unspecified.

Technical, nonsubstantive amendments were also made for clarity, consistency and style.

Finally, your Committees note that the Pilot Project established in this measure is scheduled to be terminated on October 1, 2017, which will provide the Legislature with a good opportunity to reevaluate the entire Public-Private Finance Initiative and identify opportunities for improvement or the necessity for repealing the Initiative altogether.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3066, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3066, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito and Nishimoto.
(Representative Thielen voted no.)

SCRep. 1182-14 Labor & Public Employment on S.B. No. 2609

The purpose of this measure is to update the minimum wage by:

- (1) Increasing the minimum wage by a specified amount from January 1, 2015, to January 1, 2017; and
- (2) Changing the tip credit amount.

The Department of Human Services; Hawaii State Commission on the Status of Women; a Councilmember of the Kauai County Council; councilmember from the fourth district of the City and County of Honolulu; PHOCUSED; League of Women Voters of Hawaii; Dr. Martin Luther King Jr. Coalition of Hawaii; Catholic Charities Hawaii; National Employment Law Project; Planned Parenthood of Hawaii; Hawaii Alliance for Community-Based Economic Development; International Longshore and Warehouse Union, Local 142; Hawaii Alliance for Retired Americans; Partners in Care; Moveon, Honolulu Council; Pride At Work Hawaii; Hawaii State AFL-CIO; Hawaii Building and Construction Trades Council, AFL-CIO; International Organization of Masters, Mates & Pilots; Duke's Canoe Club Kauai; Marine Engineers' Beneficial Association; Community Health Outreach Work to Prevent AIDS Project; Democratic Party of Hawaii; Hawaii Women's Coalition; Laborers' International Union of North America, Local 368; Chamber of Commerce for Persons with Disabilities; and several individuals provided testimony in support of this measure. The Chamber of Commerce of Hawaii; Maui Chamber of Commerce; Hawaii Food Industry Association; Times Supermarkets; Big Save Markets; National Federation of Independent Business; Gyotaku Japanese Restaurants; The Hawaii Business League; Hawaii Petroleum, Inc.; Minit Stop Holdings, LLC; Aloha Petroleum, Ltd.; Envisions Entertainment & Productions, Inc.; VIP Foodservice; Hawaii Restaurant Association; and a few individuals provided testimony in opposition to this measure. The Department of Labor and Industrial Relations; Office of Community Services; Executive Office on Early Learning; Pacific Alliance to Stop Slavery; Hawaii Appleseed Center for Law and Economic Justice; T S Restaurants; Hawaii State Teachers Association; SAG-AFTRA Hawaii Local; HealthyPacific.Org; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Unite Here! Local 5; Hawaii Regional Council of Carpenters; Women's Caucus of the Democratic Party of Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Americans for Democratic Action Hawaii; Hawaii Primary Care Association; Leilani's On the Beach; Anna Miller's Restaurants; Hula Grill; Kimo's Restaurant; Grassroot Institute of Hawaii; Progressive Democrats of Hawaii; Hawaii Lodging & Tourism Association; Hawaii Independent Energy, LLC; Maui Hotel & Lodging Association; Duke's Canoe Club Waikiki; Duke's Beach House Maui; University of Hawaii Professional Assembly; Kona-Kohala Chamber of Commerce; Keoki's Paradise; and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting its purpose section;
- (2) Changing the amounts of the minimum wage as follows:
 - (A) \$7.75 per hour beginning January 1, 2015;
 - (B) \$8.50 per hour beginning January 1, 2016;
 - (C) \$9.25 per hour beginning January 1, 2017; and
 - (D) \$10.10 per hour beginning January 1, 2018;
- (3) Increasing the amount of the tip credit allowed as follows:
 - (A) 50 cents per hour beginning January 1, 2015;

- (B) 75 cents per hour beginning January 1, 2016; and
- (C) \$1 per hour beginning January 1, 2017;
- (4) Specifying that for each taxable year the tip credit shall become available in the calendar week after the employee's wages and tips exceeds 250 percent of the poverty level as determined by the Director of Labor and Industrial Relations and shall remain available for the remainder of the calendar year;
- (5) Requiring the Director of Labor and Industrial Relations to establish by March 1 of each calendar year the poverty level threshold to be used for determining the tip credit for that calendar year;
- (6) Requiring the Director of Labor and Industrial Relations to use the poverty guidelines for Hawaii of the United States Department of Health and Human Services to establish the applicable poverty level threshold that will trigger applicability of the tip credit;
- (7) Changing its effective date to July 1, 2014; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that President Obama's decision to exercise executive power to pay federal contractors at the rate of \$10.10 per hour beginning in 2015 has increased pressure to follow suit and raise the minimum wage to over \$10 per hour. Such an adjustment would be justified as the minimum hourly wage in Hawaii has not increased since January 1, 2007. However, recognizing the interconnected nature of Hawaii's economy and the difficulty that some small businesses may have with absorbing a rapid increase, your Committee has recommended a more moderate rate of increase over the next four years to enable businesses to plan for these increases.

Your Committee has heard much discussion on the issue of a tip credit, which places a portion of the cost of employee pay directly on the generosity of the customer. This issue is generally limited to employers in the restaurant industry who have informed your Committee of the high hourly rate of pay earned by tipped employees, which is usually a direct function of the per person cost of a meal. Your Committee sought to reconcile the great disparity in the per person cost of meals in the wide range of restaurant establishments by providing an increase in the amount of the tip credit allowed and by creating a "poverty trigger" that would ensure that tipped employees earn at least 250 percent of the United States Department of Health and Human Services poverty guideline for Hawaii before an employer may claim the tip credit.

Your Committee further notes that it is sensitive to concerns that an increase in the minimum hourly wage may be accompanied by a higher cost of living. However, your Committee notes that prices of goods and services continue to rise and the buying power of minimum wage earners continues to diminish.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2609, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2609, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 1183-14 Labor & Public Employment on S.B. No. 2074

The purpose of this measure is to appropriate unspecified amounts, for fiscal biennium 2013-2015, to fund salary increases, collective bargaining cost items, Hawaii-Employer Union Health Benefits Trust Fund costs, and other cost adjustments for officers and employees within collective bargaining unit (9) and their excluded counterparts.

The University of Hawaii and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure. The Department of Budget and Finance provided comments on this measure.

Your Committee has amended this measure by changing the appropriations to the Hawaii Health Systems Corporation- corporate office (HTH 210) in parts V and VI of the measure to instead be to the Hawaii Health Systems Corporation- regions (HTH 212). Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

Your Committee notes that amendments to this measure were proposed by the Director of Finance. These amendments specified the source for the Hawaii Health Systems Corporation's portion of the negotiated cost items as the Hawaii Health Systems Corporation's special funds. However, your Committee has been informed that the Hawaii Health Systems Corporation would likely not be able to absorb this cost and would likely request an additional appropriation from the general fund.

Upon further discussion, your Committee respectfully recommends that, should your Committee on Finance consider this measure, it allow the State's general fund to remain the source of funding for the Hawaii Health Systems Corporation's cost items for this collective bargaining agreement. Your Committee believes that this will enable the Legislature to more accurately plan for future state expenditures and will reduce the need for future emergency appropriations to the Hawaii Health Systems Corporation.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2074, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2074, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 1184-14 Labor & Public Employment on S.B. No. 2916

The purpose of this measure is to ensure that the Employees' Retirement System (ERS) has timely access to employee-beneficiary information provided by a public employer. Specifically, this measure strengthens the authority of ERS to obtain needed information from the State and counties by:

- (1) Requiring, rather than authorizing, ERS to obtain the information;
- (2) Requiring, rather than authorizing, ERS to specify the format in which the information is to be furnished and requiring the State and counties to furnish the information in the required format;
- (3) Adding, as a category of information with respect to payroll and personnel transactions that ERS is required to obtain, changes or errors in payments that require correcting or updating;
- (4) Requiring the State or county to pay on the first day of the fiscal year following the fiscal year in which a department or agency, as applicable, failed to furnish any required information, the amount equal to the employer contributions payable by the State or county relative to that department or agency during the fiscal year in which the department or agency failed to furnish the required information;
- (5) Requiring the State or county to pay interest on the unpaid amounts if full payment is not made on the first day of the fiscal year; and
- (6) Requiring the Department of Budget and Finance to submit an annual report to the Legislature on noncompliant departments, amounts payable for failing to furnish required information, and affected programs.

ERS provided testimony in support of this measure. The Finance Department of the County of Hawaii provided testimony in opposition to this measure. The Department of Budget and Finance, Department of Education, Department of Human Resources Development, and Department of Human Resources of the City and County of Honolulu provided comments on this measure.

Your Committee has amended this measure by:

- (1) Specifying that each department or agency has 180 days from the date of the receipt of a notice of change in the required format to update the format in which the required information is provided to ERS;
- (2) Allowing ERS to waive the requirement that a department or agency pay to ERS an amount equal to the employer contributions payable by the State or county relative to the department or agency that is not in compliance and interest if it determines that the failure to provide the information was due to an unforeseen system failure, natural disaster, or other unforeseen event;
- (3) Requiring ERS, rather than the Department of Budget and Finance, to submit a report to the Legislature and the Department of Budget and Finance;
- (4) Requiring the report to include anticipated amounts payable in the upcoming fiscal year; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2916, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2916, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 1185-14 Labor & Public Employment on S.B. No. 2704

The purpose of this measure is to:

- (1) Provide that the overtime compensation for a laborer or mechanic on a public works project shall be not less than one and one-half times the laborer's or mechanic's basic hourly pay, plus the cost of fringe benefits; and
- (2) Require that overtime compensation for a laborer or mechanic on a public works project be the rate specified in a collective bargaining agreement when the basic hourly rate is based upon a collective bargaining agreement.

The Pacific Resource Partnership and Hawaii Operating Engineers Industry Stabilization Fund provided testimony in support of this measure. The Department of Labor and Industrial Relations provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the definition of "overtime compensation" includes the overtime and other premium rates of pay set by a collective bargaining agreement when the prevailing wage is set by a collective bargaining agreement; and
- (2) Changing its effective date to July 1, 2114, for the purpose of facilitating further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2704, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2704, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 1186-14 Labor & Public Employment on S.B. No. 2799

The purpose of this measure is to attract and retain highly qualified individuals to serve as the Executive Director of the Hawaii Housing Finance and Development Corporation by authorizing its Board of Directors (Board) to set the salary of the Executive Director, not to exceed a certain amount.

The Department of Business, Economic Development, and Tourism and Hawaii Housing Finance and Development Corporation provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting the salary cap;
- (2) Requiring the Board to consider the option to withhold or alter the benefits package of the Executive Director in exchange for a salary that exceeds the salary level of civil service employees who are entitled to receive benefits under Chapter 76, Hawaii Revised Statutes;
- (3) Following each adjustment to the Executive Director's salary, requiring the Board to submit a report to the Legislature that includes whether the Board exercised its option to withhold or alter the benefits package of the Executive Director and its rationale for its decision;
- (4) Changing its effective date to July 1, 2114, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that it has inserted language into this measure that authorizes the Board of Directors of the Hawaii Housing Finance and Development Corporation to set the salary of its Executive Director. In providing the Board with this additional flexibility, your Committee hopes to encourage the Board to recognize that the trade-off in choosing a position in the public sector, rather than in the private sector, often involves accepting a lower salary for a richer benefits package. Therefore, as the Board sets out to build a compensation and benefits package for its Executive Director, it must balance an increased salary with a fair level of benefits as compared to civil service employees of the public sector who do not have the benefit of earning a higher salary.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2799, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2799, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Ing.

SCRep. 1187-14 Labor & Public Employment on S.B. No. 2845

The purpose of this measure is to allow the Director of Human Services to appoint and employ professional staff, exempt from civil service, prescribe their duties, and fix their salaries, when in the Director's determination, the services to be performed are unique and essential to the execution of the functions of the state medical assistance programs.

The Department of Human Services and the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided comments on this measure.

Your Committee has amended this measure by:

- (1) Exempting from civil service the positions of the privacy and security compliance officer, health information technology officer, physicians, pharmacists, and dentists for a period of three years from its effective date;
- (2) Changing its effective date to July 1, 2114, for the purpose of encouraging further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee is pleased that the Department of Human Services has been able to reach a compromise regarding the exemption of employees from the civil service law, Chapter 76, Hawaii Revised Statutes (HRS). The exemptions from Chapter 76, HRS are not limited to the division administrator, branch and office administrators, finance officer, research officer, privacy and security compliance officer, and health information technology officer. This measure grants the additional positions that the Department of Human Services originally requested be exempt from Chapter 76, HRS a three-year exemption to allow the Department to develop and approve job descriptions for these positions.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2845, S.D. 1, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2845, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 1188-14 Labor & Public Employment on S.B. No. 2846

The purpose of this measure is to restore the position of Second Deputy Director of the Department of Human Services.

The Department of Human Services; Department of Human Resources Development; and an individual provided testimony in support of this

measure.

Your Committee has amended this measure by changing its effective date to July 1, 2114, for the purpose of encouraging further discussion.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2846, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2846, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Ing.

SCRep. 1189-14 Labor & Public Employment on S.B. No. 3039

The purpose of this measure is to appropriate funds to the Department of Labor and Industrial Relations for two additional labor law enforcement specialist IV positions to assist in the enforcement of Hawaii's wage and hour law on public construction projects.

The Building Industry Association of Hawaii; Hawaii Building and Construction Trades Council, AFL-CIO; Hawaii Laborers-Employers Cooperation and Education Trust; Hawaii Operating Engineers Industry Stabilization Fund; and The Pacific Resource Partnership provided testimony in support of this measure. The General Contractors Association of Hawaii provided testimony in opposition to this measure. The Department of Labor and Industrial Relations, Department of Accounting and General Services, Department of Transportation, and Hawaii Regional Council of Carpenters provided comments on this measure.

Your Committee has amended this measure by:

- (1) Expanding its purpose section to include a discussion about public construction projects and the necessity of strictly enforcing Hawaii's wage and hour laws;
- (2) Establishing the Wage and Hour for Public Works Projects Special Fund to assist the Department of Labor and Industrial Relations in enforcing Hawaii's wage and hour law on public construction projects;
- (3) Except for the Department of Transportation's Airports Division, requiring state departments that receive appropriations of funds designated for the construction cost element for certain capital improvement projects to transfer 0.1 percent of those appropriations into the Wage and Hour for Public Works Projects Special Fund;
- (4) Requiring the Department of Labor and Industrial Relations to provide an annual status report of the Wage and Hour for Public Works Projects Special Fund to the Legislature;
- (5) Changing its effective date to July 1, 2114, for the purpose of facilitating further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3039, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3039, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 1190-14 Labor & Public Employment on S.B. No. 3099

The purpose of this measure is to provide for the conversion of certain public employee positions from exempt to civil service status. Specifically, this measure:

- (1) Makes hiring of professional and technical staff in accordance with civil service laws mandatory, not optional, for the State Historic Preservation Division of the Department of Land and Natural Resources; and
- (2) Sunsets civil service exemptions created after July 1, 2014, after three years of their enactment unless affirmatively extended by the Legislature.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure. The Department of Human Resources Development provided testimony in opposition to this measure. The Department of Land and Natural Resources and Society for Hawaiian Archaeology provided comments on this measure.

Your Committee has amended this measure by changing its effective date to July 1, 2114, for the purpose of facilitating further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3099, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3099, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Ing.

SCRep. 1191-14 Consumer Protection & Commerce on S.B. No. 2486

The purpose of this measure is to amend various provisions relating to private guards and individuals acting in a guard capacity by:

- (1) Reducing the continuing education requirement to four hours every two years;
- (2) Delaying the continuing education requirement to prior to the June 30, 2016, renewal cycle; and
- (3) Making permanent the registration and licensure requirements for private guards and individuals acting in a guard capacity.

The Board of Private Detectives and Guards, Hawaii Council of Associations of Apartment Owners, and a few individuals testified in support of this measure. Retail Merchants of Hawaii, Hawaii Food Industry Association, Sullivan Family of Companies, and several individuals testified in opposition to this measure.

Your Committee notes that to require continuing education for only four of the 2,080 business hours that private guards and individuals acting in a guard capacity could potentially work each year is not an unreasonable requirement.

Your Committee notes that the licensure of security guards who are furnished by a third party and do not come under the liability or control of the company hiring them is necessary to ensure public safety. However, comparable concern for the public safety does not arise with respect to loss prevention agents who provide their services exclusively and regularly to an employer pursuant to an employee-employer relationship. In circumstances where such an employee-employer relationship exists, employers could be held liable for the conduct of their employees. To mitigate exposure to risk and liability, employers have a genuine interest in actively ensuring that their employees conduct themselves professionally.

Accordingly, your Committee has amended this measure by:

- (1) Restoring the continuing education requirement to four hours annually;
- (2) Exempting loss prevention agents from private guard registration and licensure requirements;
- (3) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2486, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2486, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1192-14 Consumer Protection & Commerce on S.B. No. 2031

The purpose of this measure, as received by your Committee, is to improve access to medical supplies and equipment for patients by requiring vendors or suppliers who have been awarded contracts through the Centers for Medicare and Medicaid Services Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program to have a physical presence in the State.

For purposes of a public hearing on this measure, your Committee circulated Proposed S.B. No. 2031, S.D.2, H.D.2, and notified the public that it would be accepting testimony on the Proposed Draft, which establishes a licensure requirement for durable medical equipment suppliers participating in the nationwide competitive bidding program, including an annual inspection by the executive office on aging.

Your Committee received testimony from the following organizations and individuals on S.B. No. 2031, S.D.2, as received by your Committee, and on the Proposed Draft:

The Queen's Health Systems, Hawaii COPD Coalition, Healthcare Association of Hawaii, and an individual testified in support of S.B. No. 2031, S.D.2, as received by your Committee. The Department of Human Services, Hawaii Association of Health Plans, and an individual testified in opposition to S.B. No. 2031, S.D.2, as received by your Committee.

Healthcare Association of Hawaii testified in support of the proposed draft. The Hawaii Medical Service Association testified in opposition to the proposed draft. The Department of the Attorney General provided comments on the proposed draft.

Your Committee considered the merits of both S.B. No. 2031, S.D.2, as received by your Committee and the proposed draft, and upon careful consideration, adopted the proposed draft.

Your Committee finds that this measure may merit further discussion. Accordingly, your Committee has amended this measure by changing the effective date to July 1, 2012.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2031, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2031, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1193-14 Consumer Protection & Commerce on S.B. No. 1043

The purpose of this measure is to establish the Legislative Utility Review Task Force, consisting of various legislators, to review electric utility franchises held by investor-owned public utilities and ensure their provision of adequate services.

Testimony in opposition to the measure was submitted by Hawaiian Electric Company and one individual. The Public Utilities Commission and the Department of Commerce and Consumer Affairs submitted comments on the measure.

Your Committee finds that all public utility companies should be held accountable for the provision of reliable, high quality services at reasonable rates. Your Committee further finds that a review of investor-owned electric public utilities by a task force composed of legislators will ensure that the utilities fulfill their duty to serve the public interest and will help to determine whether appropriate legislation should be enacted to limit the functions of those utilities.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1043, S.D. 1, H.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1194-14 Consumer Protection & Commerce on S.B. No. 2076

The purpose of this measure is to strengthen the laws relating to the prevention of unlicensed contractor fraud.

Specifically, the measure establishes that the element of "intent to deprive" in the offense of unlicensed contractor fraud may be formed before or after the person obtains or exerts control over the property of another.

Your Committee received testimony in support of this measure from both the Regulated Industries Complaints Office and the Contractors License Board of the Department of Commerce and Consumer Affairs, the Department of the Prosecuting Attorney of the City and County of Honolulu, and the Subcontractors Association of Hawaii.

Your Committee finds that this measure clarifies the offense of unlicensed contractor fraud with regard to the time at which the intent to deprive is formed and is consistent with a recent opinion from the Hawaii Supreme Court on a similar matter.

Your Committee has amended this measure by changing the effective date to December 21, 2112, to facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2076, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2076, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1195-14 Consumer Protection & Commerce on S.B. No. 2475

The purpose of this measure is to clarify that aiding or abetting an unlicensed contractor may subject contractor licensees to additional discipline by the Contractors License Board.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office, Contractors License Board, and the Subcontractors Association of Hawaii.

Your Committee finds that the present law makes it a criminal misdemeanor for a contractor licensee to aid or abet an unlicensed contractor. By expressly authorizing administrative sanctions in addition to criminal sanctions, this measure will provide additional protection for consumers by dissuading licensed contractors from recommending unlicensed contractors to otherwise unsuspecting customers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2475 and recommends that it pass Second Reading and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har, Ito and McDermott.

SCRep. 1196-14 Consumer Protection & Commerce on S.B. No. 3127

The purpose of this measure is to establish provisions for the failure of a condominium association to obtain a quorum at the first annual meeting of the association.

The measure also:

- (1) Authorizes the board of an association managed by a managing agent to employ and terminate a managing agent;
- (2) Authorizes the termination of a managing agent by a vote of a majority of the unit owners at an association meeting; and
- (3) Exempts certain projects that are subject to time sharing or similar arrangements from the provision in this measure relating to the

employment and termination of a managing agent.

The Hawaii State Association of Parliamentarians, the Community Associations Institute, and one individual provided testimony in support of the measure. One individual provided testimony in opposition of the measure.

Your Committee finds that a majority of unit owners currently has the power to remove and replace the board of directors of a condominium association at an association meeting. Therefore, it follows that a majority of unit owners should also have the authority to order the board to replace the managing agent. Your Committee believes that this measure will provide unit owners with a safety net if a majority of unit owners disagrees with the board's retention of a managing agent.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3127, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1197-14 Consumer Protection & Commerce/Judiciary on S.B. No. 2250

The purpose of this measure is to amend state law regarding the solicitation of contributions from the public.

More specifically, this measure:

- (1) Requires certain disclosures on collection boxes that are owned and operated by a:
 - (A) Charitable organization exempt from the income tax under section 501(c)(3) of the Internal Revenue Code;
 - (B) Professional solicitor; or
 - (C) For-profit organization that is not a professional solicitor or an organization exempt from the income tax under section 501(c)(3) of the Internal Revenue Code;
- (2) Clarifies registration requirements for:
 - (A) Hawaii domiciled charitable organizations; and
 - (B) Nonprofit organizations covered by an Internal Revenue Service group exemption ruling;
- (3) Authorizes the Attorney General to require electronic financial reporting by professional solicitors;
- (4) Imposes a fee for late financial reports by professional solicitors;
- (5) Amends the time within which a commercial co-venturer must provide a final accounting to a charitable organization, and provides penalties that the Attorney General may impose on a commercial co-venturer for violation of chapter 467B, Hawaii Revised Statutes;
- (6) Clarifies exemptions from registration requirements; and
- (7) Makes other technical and housekeeping amendments to chapter 467B, Hawaii Revised Statutes.

Your Committees find that this measure will provide greater protections for consumers and donors by establishing new disclosure requirements for collection boxes operated by for-profit and nonprofit organizations. Your Committees also believe that this measure will facilitate the Attorney General's transition to electronic registration systems and provide greater clarity with regard to registration and reporting requirements.

Your Committees have amended this measure by changing the effective date to December 21, 2112, to facilitate further discussion on the measure.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2250, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2250, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ito, Lee, Nakashima, Oshiro, Wooley and Yamane.

SCRep. 1198-14 Consumer Protection & Commerce on S.B. No. 2581

The purpose of this measure is to amend the functions of the Hawaii State Building Code Council ("Council") by:

- (1) Modifying the composition, quorum requirements, and duties of the Council; and
- (2) Amending Council procedures for the adoption, modification, and update of Hawaii State Building Codes and standards, including the designation of a staggered adoption schedule and the clarification of conflict of law provisions regarding county licenses.

The State Department of Defense Civil Defense Division; Subcontractors Association of Hawaii; The Chamber of Commerce Hawaii; Hawaii

Laborers-Employers Cooperation and Education Trust; Laborers' International Union of North America Local 368; American Institute of Architects; Hawaii Building and Construction Trades Council, AFL-CIO; Hawaii Operating Engineers Industry Stabilization Fund; and General Contractors Association of Hawaii testified in support of this measure. The Department of Labor and Industrial Relations; Department of Accounting and General Services; Department of Business, Economic Development and Tourism; Hawaii State Fire Council; Honolulu Fire Department; Maui Fire Department; City and County of Honolulu Department of Planning and Permitting; State Building Code Council; Building Industry Association of Hawaii; Pacific Resource Partnership; American Chemistry Council; and International Code Council provided comments.

Your Committee has amended this measure by:

- (1) Permitting rather than requiring the Council to adopt, amend, or update Hawaii State Building Codes and standards on a staggered schedule, at a frequency of at least every six years;
- (2) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2581, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2581, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1199-14 Consumer Protection & Commerce on S.B. No. 2809

The purpose of this measure is to align statutory language regarding utility ratemaking with widely accepted utility ratemaking principles and ratemaking practices already applied in Hawaii.

The Department of Business, Economic Development, and Tourism and Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs testified in support of this measure. Hawaiian Electric Company, Inc.; Maui Electric Company; and Hawaii Electric Light Company testified in opposition to this measure. The Public Utilities Commission commented on this measure.

Your Committee has amended this measure by:

- (1) Changing "actually used and useful" to "used and useful" to conform with standard regulatory practices; and
- (2) Changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2809, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2809, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har, Ito and McDermott.

SCRep. 1200-14 Consumer Protection & Commerce on S.B. No. 3094

The purpose of this measure is to amend the general powers and limitations of the counties by:

- (1) Allowing each county to impose and enforce liens upon premises served for unpaid water or sewer charges after reasonable notice and after an opportunity for a hearing pursuant to Chapter 91, Hawaii Revised Statutes; and
- (2) Repealing the authority of the county to take over, from the State, existing waterworks and sewer systems and enlarge, develop, and improve those systems.

The Board of Water Supply, City and County of Honolulu; Department of Water Supply, County of Hawaii; and Department of Environmental Management, County of Hawaii testified in support of this measure. The Hawaii Association of REALTORS provided comments on this measure.

Your Committee notes that the proponents of this measure represented to your Committee that the Hawaii Association of REALTORS, despite asking for amendments, supported the measure as received by your Committee. However, upon further conversation with the Hawaii Association of REALTORS, they did not support the measure as received by your Committee, and still sought amendments. Accordingly, your Committee has amended this measure by:

- (1) Requiring the county to provide a timely pre-lien notice of delinquency before the county can impose and enforce liens for any unpaid water or sewer charges;
- (2) Specifying that the delinquent charges that may be the basis of such liens shall not commence or accrue until the date of the pre-lien notice of delinquency; and
- (3) Changing the effective date to December 21, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3094, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form

attached hereto as S.B. No. 3094, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Har, Ito and McDermott.

SCRep. 1201-14 Consumer Protection & Commerce on S.B. No. 3042

The purpose of this measure is to:

- (1) Establish a new class 18 liquor license for small craft producer pubs; and
- (2) Remove the 30,000 barrel restriction on the amount of malt beverages that a class 14 brewpub licensee may manufacture on its premises during a license year.

The Hawaiian Craft Brewers Guild and Maui Brewing Co. testified in support of this measure. The City and County of Honolulu Liquor Commission provided comments.

Your Committee has amended this measure by:

- (1) Raising the manufacturing cap on class 16 winery licensees from not more than 10,000 barrels of wine per license year to not more than 20,000 barrels of wine per license year;
- (2) Specifying that brewery-sealed kegs, growlers, brewery-sealed containers, winery-sealed kegs, magnums, winery-sealed containers, and other recyclable containers provided by a licensee to a consumer for off-premises consumption comply with federal labeling and bottling requirements;
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style; and
- (4) Changing its effective date to December 21, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3042, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3042, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1202-14 Consumer Protection & Commerce on S.B. No. 2821

The purpose of this measure is to update various provisions in the Insurance Code that are recommended by the National Association of Insurance Commissioners (NAIC) to ensure the Department of Commerce and Consumer Affairs Insurance Division maintains its NAIC accreditation.

Specifically, this measure adopts revisions to the NAIC's model laws on Credit for Reinsurance Model Act, Standard Valuation Law, Standard Nonforfeiture Law for Life Insurance, and Insurance Holding Company System Regulatory Act.

The Department of Commerce and Consumer Affairs, American Council of Life Insurers, USAA, and Island Insurance Companies testified in support of this measure.

Your Committee has amended this measure by:

- (1) Adding a definition of "domestic single-state insurer" to Article 11 of the Insurance Code;
- (2) Specifying that an insurer shall file financial statements upon request of the Insurance Commissioner (Commissioner);
- (3) Removing language that requires insurers to file any other information required by the Commissioner by rule;
- (4) Exempting a domestic single-state insurer from filing an annual enterprise risk report under certain circumstances;
- (5) Exempting certain standards and management requirements for a domestic insurer concerning the board of directors under certain circumstances;
- (6) Clarifying the authority of the Commissioner when examining an insurer to ascertain the financial condition of the insurer;
- (7) Providing reasons why the Commissioner may order any insurer registered under section 431:11-105 to provide certain information;
- (8) Clarifying the Commissioner's authorities in the event that an insurer fails to comply with the Commissioner's request to provide certain required information;
- (9) Deleting language concerning the obligation of persons to attend as a witness pursuant to a subpoena;
- (10) Changing the effective date of part I to December 21, 2113, and parts II, III, and IV, to December 21, 2112, to encourage further discussion; and

- (11) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2821, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2821, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Belatti, Brower, Har, Ito, Oshiro and McDermott.

SCRep. 1203-14 Health on S.B. No. 2348

The purpose of this measure is to support public health by appropriating funds to establish two advanced life support ambulances, to be based in the Puna and Makalei areas on the island of Hawaii.

The State Fire Council; Hawaii Fire Department; United Public Workers, AFSCME, Local 646, AFL-CIO; and several individuals testified in support of this measure. The Department of Health provided comments.

Should the Committee on Finance deliberate on this measure, your Committee respectfully requests that, per the oral testimony of the Department of Health, an increase to the ceiling of the Emergency Medical Services Special Fund be considered.

Your Committee has amended this measure by:

- (1) Changing the funding source for the appropriated sums from the general fund to the Emergency Medical Services Special Fund; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2348, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2348, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Creagan, Jordan and Oshiro.

SCRep. 1204-14 Health on S.B. No. 2490

The purpose of this measure is to safeguard patient health and safety by updating continuing competency requirements and procedures in the practice of nursing. Specifically, this measure:

- (1) Establishes continuing competency procedures for licensed registered and practical nurses, including program, education, and record keeping requirements, along with other conforming amendments; and
- (2) Requires the Department of Commerce and Consumer Affairs, in collaboration with the Center for Nursing, to convene a stakeholder group and report to the legislature regarding the proposed continuing competency requirements.

The Hawaii State Center for Nursing, Hawaii Medical Association, Hawaii Association of Professional Nurses, Hawaii Pacific Health, Pali Momi Medical Center, and several individuals testified in support of this measure. Two individuals testified in opposition of this measure. The Board of Nursing provided comments.

Your Committee notes that as the bill moves forward there remains questions on whether, employer groups and facilities, given the extended two year time period, will be able to properly and sufficiently support employed nurses in their ongoing efforts to maintain continuing competency requirements.

Your Committee has amended this measure by:

- (1) Removing provisions specifying the activities that do not meet the requirements for continuing competency;
- (2) Removing provisions specifying the types of acceptable documentation that may be used as evidence of a licensee's completion of continuing competency requirements;
- (3) Removing provisions setting out what contact hours or continuing education units may be used to fulfill continuing competency requirements;
- (4) Removing provisions setting out what entities constitute an authorized provider for the purposes of completing continuing competency requirements;
- (5) Removing licensee record keeping requirements;
- (6) Clarifying the procedures by which a nurse may be exempt from or receive an extension for the completion of continuing competency requirements;
- (7) Clarifying the procedures for a board audit of a nurse's completion of continuing competency requirements;
- (8) Specifying that each licensee, upon application for license renewal, shall both attest to and submit evidence of the licensee's completion of continuing competency requirements;

- (9) Clarifying the definition of "competence" for the purposes of the State's law relating to nurses;
- (10) Specifying that the continuing competency requirements for registered nurses and practical nurses shall take effect on July 1, 2017;
- (11) Clarifying that false attestation of compliance with the continuing competency requirements is grounds for disciplinary action; and
- (12) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2490, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2490, S.D. 2, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representative Creagan.

SCRep. 1205-14 Agriculture on S.B. No. 2175

The purpose of this measure is to establish a two-year industrial hemp remediation and biofuel crop research program within the University of Hawaii College of Tropical Agriculture and Human Resources.

Testimony in support of the measure was submitted by the University of Hawaii College of Tropical Agriculture and Human Resources Department of Molecular Biosciences and Bioengineering, Pacific Biodiesel Technologies, Hawaii Farmers Union United-Kona Chapter, Hawaii Standard and Green Futures, Maui Venture Consulting LLC, Moms on a Mission Hui, Vote Hemp, Artel, Inc., and forty-eight individuals. Testimony in opposition was submitted by the Honolulu Police Department, Maui Police Department, and two individuals. The University of Hawaii System submitted comments on the measure.

Your Committee finds that industrial hemp has many beneficial uses, including removing pollutants from land through phytoremediation and as a biofuel source. It is the intent of this Committee to establish the University of Hawaii College of Tropical Agriculture and Human Resources as the only entity authorized to grow and cultivate industrial hemp in accordance with the requirements established by the Federal Agricultural Act of 2014, without authorizing any individual, including those involved with the research program, to grow or cultivate marijuana as currently prohibited under existing law.

Your Committee has amended this measure by:

- (1) Adding language providing that the research program shall include the authority to grow or cultivate industrial hemp in accordance with the requirements of section 7606 of the Federal Agricultural Act of 2014;
- (2) Specifying that the authority to grow industrial hemp in Hawaii shall only apply to the research program;
- (3) Requiring the research program to use only industrial hemp seed stock that is certified by the Department of Agriculture;
- (4) Requiring each person involved in the research program to obtain federal and state controlled substances registration;
- (5) Specifying that there shall be only one test site and that the test site shall comply with federal and state regulations;
- (6) Specifying that the immunity provided for growing industrial hemp as part of the research program shall not apply to individuals involved in the research program who are found to be growing or cultivating marijuana;
- (7) Requiring the Department of Agriculture to test and monitor the plants grown by the research program to ensure that there is no marijuana grown on the test site, and providing that the research project shall cease immediately if marijuana is found;
- (8) Adding a general fund appropriation of \$72,600 for fiscal year 2014-2015 to the University of Hawaii to fund the research program;
- (9) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (10) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2175, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2175, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee.

SCRep. 1206-14 Agriculture on S.B. No. 2920

The purpose of this measure is to require the County of Hawaii's Department of Parks and Recreation to implement a little fire ant pilot project to address the spread of little fire ants and develop model strategies to eradicate the threat of little fire ants.

The measure also appropriates an unspecified sum to fund the pilot project.

The Department of Land and Natural Resources, the Hawaii Farm Bureau Federation, Malu'Aina, the Oahu Invasive Species Committee, and five individuals provided testimony in support of the measure. The Department of Agriculture and The Nature Conservancy provided comments.

Your Committee finds that the little fire ant ranks among the world's worst invasive species, as it threatens native biodiversity, alters tropical ecosystems, impairs human health, impedes tourism, diminishes agricultural productivity, and reduces horticulture sales. Your Committee believes that this measure will provide additional research, new tools, and increased public awareness that are needed to stop the further establishment and spread of the little fire ant.

Your Committee has amended this measure by:

- (1) Requiring the Hawaii Ant Lab of the Pacific Cooperative Studies Unit of the University of Hawaii to implement a canine detection team pilot project, and appropriating an unspecified sum for the pilot project;
- (2) Requiring the Hawaii Invasive Species Council to implement a statewide awareness and education campaign to assist in the prevention and eradication of little fire ants, and appropriating an unspecified sum for the campaign;
- (3) Making conforming amendments to Section 1 of the measure to reflect the foregoing substantive amendments;
- (4) Changing the effective date from July 1, 2050, to July 1, 2014; and
- (5) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committee recommends that the following amounts be inserted by the Committee on Finance for the respective initiatives:

- (1) \$306,237 for the County of Hawaii little fire ant pilot project;
- (2) \$250,000 for the canine detection team pilot project; and
- (3) \$350,000 for the Hawaii Invasive Species Council to implement a statewide awareness and education campaign.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2920, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2920, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1207-14 Health/Labor & Public Employment on S.B. No. 3064

The purpose of this measure is to amend the transition process of the Hawaii Health Systems Corporation (HHSC) by:

- (1) Authorizing HHSC, a regional system, or a combined regional system of two or more regional systems to transition to a nonprofit hospital corporation incorporated in the State before January 1, 2000;
- (2) Requiring a nonprofit hospital corporation to maintain equivalent hospital services in acquired regions for a minimum of five years following finalization of the transition; and
- (3) Requiring the State to assume the liabilities of the HHSC, regional system, or combined regional system transitioning into a nonprofit hospital corporation that were transferred to HHSC upon its creation by Act 262, Session Laws of Hawaii 1996.

The Mayor of the County of Maui, HHSC Corporate Board of Directors, HHSC Kauai Region Board of Directors, HHSC East Hawaii Regional Chief Executive Officer, Hawai'i Pacific Health, Healthcare Association of Hawaii, and numerous individuals supported this measure. Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO opposed this measure. The Office of the Governor, Department of Budget and Finance, Regional Chief Executive Officer of Maui Memorial Medical Center, ILWU Local 142, West Maui Taxpayers Association, Kaiser Permanente Hawaii, and several individuals commented on this measure.

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

- (1) Authorizing the transition of HHSC, a regional system, or a combined regional system of two or more regional systems to a nonprofit corporation or public benefit corporation;
- (2) Establishing a transition committee, to be chaired by the Governor or Governor's designee, to assist the Governor in implementing, reviewing, and negotiating the transitioning of HHSC, a regional system, or a combined regional system of two or more regional systems to transition to a new healthcare management system;
- (3) Requiring the transition committee to develop criteria for evaluating and selecting a plan for the transition;
- (4) Making the transition plan subject to legislative approval by a two-thirds vote of both the Senate and the House of Representatives;
- (5) Providing that employees of HHSC who were as of January 1, 2014, in Units (01) to (14) will continue to be covered by the collective bargaining agreements in effect as of this date; provided that the collective bargaining agreements will be renegotiated once the employer enters into an agreement to form a new entity;
- (6) Creating a new Bargaining Unit 15 for former HHSC employees in the same employer group for the purpose of negotiating a collective bargaining agreement as Bargaining Units 01, 02, 03, 04, 09, 10, 13, and 14;

- (7) Specifying that no employee who is separated from service as a result of the transition of the HHSC, a regional system board, or a combined regional system of two or more regional system boards to a new healthcare management system shall suffer any loss of retirement allowance earned;
- (8) Changing its effective date to July 1, 2150, to facilitate further discussion; and
- (9) Making technical, nonsubstantive amendments for clarity, consistency, and style.

The extensive questions and comments raised in your Committees' joint public hearing on the transition process of HHSC point to the need for greater and ongoing discussion on this matter. Your Committees recognize that a strong HHSC Corporate Board is necessary to address the overarching and encompassing healthcare needs of the State that affect all regions. As such, your Committees respectfully request the Committee on Finance to consider the repeal of Act 290, Session Laws of Hawaii 2007, which established regional system boards for all regions. Your Committees also request that the Committee on Finance look at community collaboration from all regions in considering change.

The inclusion of a transition committee in this measure acknowledges the importance of the HHSC Corporate Board to ensure that healthcare decisions address statewide healthcare needs for all residents. Your Committees believe that maintaining the HHSC Corporate Board is critical to support the State's healthcare system as transition of the statewide and regional systems are contemplated.

The maintenance of hospital services timeframe following finalization of any transition is unspecified in the bill to enable greater discussion, including consideration of community participation and input in the continuation and maintenance of services.

As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 3064, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 3064, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Aquino.

SCRep. 1208-14 Judiciary on S.B. No. 1038

The purpose of this measure is to:

- (1) Authorize a court to decree the forfeiture of all or any portion of the Employee Retirement System benefits to which a member, former member, or retirant of state or county employment would otherwise have been entitled if the member, former member, or retirant is convicted of a felony that the court finds to be related to the employment of the member, former member, or retirant; and
- (2) Require the Employee Retirement System to comply with a court order to reduce, suspend, or deny payment of benefits to the member, former member, or retirant.

The Employees' Retirement System Board of Trustees supported this measure.

Your Committee has amended this measure by:

- (1) Limiting the applicability of the measure's forfeiture of benefits provision to only those members, former members, and retirants hired after the effective date of the measure;
- (2) Changing its effective date to upon approval; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1038, S.D. 2, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1038, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.

SCRep. 1209-14 Judiciary on S.B. No. 2120

The purpose of this measure is to exempt campaign contributions from a candidate's immediate family members from the limitations established by section 11-357, Hawaii Revised Statutes, on contributions to candidates and candidate committees.

The Campaign Spending Commission submitted testimony in support of this measure.

Your Committee finds that section 11-359, Hawaii Revised Statutes, erroneously exempts campaign contributions by a candidate's immediate family from the prohibition against contributions by state and county contractors. This measure replaces the erroneous provision with an exemption for contributions by immediate family from the limitations on contributions to candidates and candidate committees, as originally intended. Your Committee finds that this amendment will conform the intent of section 11-359 with the intent of the law as it existed prior to the recodification of chapter 11, Hawaii Revised Statutes, in 2010.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2120 and recommends that it pass Second Reading and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.

SCRep. 1210-14 Judiciary on S.B. No. 2876

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to authorize the issuance of special purpose revenue bonds and use the proceeds from the bonds to assist dam and reservoir owners.

The Department of Land and Natural Resources; Department of Budget and Finance; The Chamber of Commerce of Hawaii; Hawaii Farm Bureau; Maui County Farm Bureau; and Alexander & Baldwin, Inc., supported the bill. The Land Use Research Foundation of Hawaii provided comments.

Your Committee has amended the bill by:

- (1) Clarifying and specifying that the special purpose revenue bonds will be issued to offer loans to assist dam and reservoir owners to improve their facilities to protect public safety and provide significant benefits to the general public as important water sources;
- (2) Clarifying that special purpose revenue bonds issued to assist not-for-profit private nonsectarian and sectarian elementary schools, secondary schools, colleges, and universities should not be issued with those to assist dam and reservoir owners;
- (3) Changing the effective date to upon compliance with Article XVII, section 3, of the Constitution of the State of Hawaii; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2876, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2876, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.

SCRep. 1211-14 Judiciary on S.B. No. 2211

The purpose of this measure is to provide safe places where youth can seek shelter from harmful environments and access advice, guidance, and services by:

- (1) Establishing a five year Safe Places for Youth Pilot Program (Pilot Program);
- (2) Establishing the Safe Places for Youth Pilot Program Coordinator position; and
- (3) Appropriating funds to establish the Safe Places for Youth Pilot Program Coordinator position and provide residential options for the Pilot Program.

The Office of Youth Services, Community Alliance on Prisons, Community Alliance for Mental Health, United Self Help, Hawaii Youth Services Network, Mental Health America of Hawaii, PHOCUSED, Hale Kipa, Planned Parenthood of Hawaii, The Salvation Army – Family Intervention Services, Enterprise Honolulu, Hawaii Association for Justice, Blueprint for Change, and two concerned individuals supported this measure. Hawaii Family Advocates and numerous concerned individuals opposed this measure.

Your Committee finds the appropriations made under this measure are provided for the Safe Places for Youth Pilot Program Coordinator position and temporary housing opportunities for youth in crisis who participate in the Pilot Program. Your Committee notes that there is no substantive structure provided in this measure to address how such temporary housing opportunities would be managed or accessed within the Pilot Program. Moreover, the measure does not allocate any funds to implement the Pilot Program. Your Committee respectfully requests that your Committee on Finance consider these issues if it decides to hear this measure.

Your Committee has amended this measure by:

- (1) Clarifying that a goal of the Pilot Program should be to reunite youth with their families where it is determined safe to do so;
- (2) Removing provisions that would have limited the ability of any minor to disaffirm consent given to receive services under the Pilot Program;
- (3) Clarifying that the Safe Places for Youth Pilot Program Coordinator is required to designate for the Pilot Program network those service providers who are appropriately licensed and qualified to provide services;
- (4) Specifying that the Pilot Program applies to "youth in crisis" and defining that term to include those youth at least 14 years of age and less than 21 years of age experiencing a crisis situation and accordingly removing the definitions of "minor", "youth", and "young adult"; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2211, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2211, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.
(Representative McDermott voted no.)

SCRep. 1212-14 Judiciary on S.B. No. 1179

The purpose of this measure is to improve the current procedures that authorize the Department of Public Safety to petition the courts to obtain orders to provide involuntary medical treatment to certain inmates and detainees.

The measure accomplishes this purpose by:

- (1) Defining specific terms used in the criteria for involuntary medical treatment;
- (2) Providing the department with the flexibility of filing the petition in either the district court or the circuit court and attaching to the petition either an affidavit or a declaration of the examining physician or psychologist;
- (3) Expanding from two to five days the maximum time period between the examination of the inmate or detainee and the filing of the petition;
- (4) Limiting, to only the inmate or detainee and the inmate or detainee's legal guardian or emergency contact, the list of persons upon whom a notice of hearing must be served;
- (5) Authorizing, rather than requiring, the court to appoint a guardian ad litem or a temporary guardian upon the occurrence of specified conditions, and expanding the conditions to include other good cause in addition to the inmate or detainee's inability to participate in the hearing; and
- (6) Clarifying the effective expiration date of the order for persons who return to custody after release.

Your Committee received testimony in support of this measure from the Department of Public Safety and the Department of the Attorney General.

Your Committee finds that this measure allows for a more efficient and responsive court process, enables medical staff in various correctional facilities to provide critical and necessary medical treatment in a more timely fashion, and assists in the improvement of the mental and physical status of inmates.

Your Committee has amended this measure by deleting its contents and replacing it with the substantive contents of its companion measure, H.B. No. 948, H.D. 2, which was heard and passed out earlier by your Committee.

As amended, this measure restores specific provisions that were included in H.B. No. 948, H.D. 2, that:

- (1) Clarify the definition of "danger of physical harm to others" by removing an inconsistent reference to the safety of the inmate or detainee who is the subject of the petition; and
- (2) Change the list of persons upon whom a notice of hearing must be served to include the inmate or detainee and at least one, rather than all, of most of the persons presently entitled to be served, thereby restoring their potential right to seek a delay in the hearing of the petition.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1179, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 1179, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.

SCRep. 1213-14 Consumer Protection & Commerce on S.B. No. 2463

The purpose of this measure is to standardize differing public works contract conditions relating to government indemnity against liability for design and construction by:

- (1) Prohibiting duty to defend clauses in contracts entered into by licensed design professionals; and
- (2) Providing certain limits on the duty to defend for licensed construction contractors.

The State Procurement Office, American Society of Civil Engineers, Building Industry Association of Hawaii, Pacific Resource Partnership, Hawaii Insurers Council, Subcontractors Association of Hawaii, American Council of Engineering Companies of Hawaii, American Institute of Architects, and General Contractors Association of Hawaii testified in support of this measure. The Department of the Attorney General testified in opposition to this measure.

Your Committee finds that the opposition of the Department of the Attorney General is based on the fact that no contracts have a statutory exemption from the duty to defend for state projects. During the testimony, the Attorney General recognized that design professionals are unable to secure general liability insurance and opined that design professionals should be exempt from a duty to defend in these contracts. Rather than a complete exemption from a duty to defend clause, your Committee recognizes that the current law already prohibits the State from requiring a duty to defend clause in contract with design professionals for contracts of \$1,000,000 or less, and therefore, by raising the threshold to \$10,000,000 the compelling interest of the State in facilitating relief can be granted through the least restrictive means necessary. Moreover, if design professionals are expected to defend on state contracts, then design professionals will stop bidding on state jobs thereby slowing down the process and endangering federal funds that are sometimes attached to these projects. Your Committee is sympathetic to construction contractors, but as noted by the Attorney General, no other state statutorily abolishes the duty to defend for construction contractors on state projects.

Your Committee has amended this measure by:

- (1) Permitting the inclusion of duty to defend clauses only for public works contracts with a licensed design professional for \$10,000,000 or more;
- (2) Deleting limitations on a construction contractor's duty to defend, including conforming amendments;
- (3) Changing its effective date to December 21, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2463, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2463, S.D. 2, H.D. 1, and be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1214-14 Consumer Protection & Commerce on S.B. No. 2820

The purpose of this measure is to update Title 24, Hawaii Revised Statutes (HRS), Relating to Insurance, to:

- (1) Conform to the federal Patient Protection and Affordable Care Act by:
 - (A) Prohibiting rescissions of coverage under a health benefit plan in certain circumstances and requiring health carriers, mutual benefit societies and fraternal benefit societies, and health maintenance organizations to provide notice of rescission of coverage; and
 - (B) Mandating parity between medical and surgical benefits and benefits for alcohol dependence, drug dependence, and mental health treatment services;
- (2) Clarify that companies with general casualty insurance authority can only write accident and health or sickness insurance as incidental or supplemental coverage;
- (3) Streamline and improve the operations of the Insurance Division by clarifying the retention requirements for tax records for foreign or alien insurers, surplus lines brokers, and independently procured insureds;
- (4) Expand the authority of the Insurance Fraud Investigations Branch to review and take appropriate action on complaints of fraud relating to insurance under Title 24, HRS, but excluding workers' compensation insurance;
- (5) Include long—term care insurance as part of limited benefit health insurance;
- (6) Meet the accreditation standards of the National Association of Insurance Commissioners (NAIC) found in Article 11A of Chapter 431, HRS, (Business Transacted with Producer Controlled Property/Casualty Insurer), by amending the definition of "licensed insurer" or "insurer" to include risk retention captive insurance companies;
- (7) Specify that if any of the requirements specified in Article 10A of Chapter 431, HRS, as applied to long-term care insurance conflict with the provisions of Article 10H of Chapter 431, HRS, the provisions of Article 10H govern and control;
- (8) Adopt recommendations from the Drafting Note of the NAIC Health Maintenance Organization Model Act to clarify that the definition of "uncovered expenditures" includes out-of-area services, referral services, and hospital services; and
- (9) Make other housekeeping changes for purposes of clarity, style, and consistency.

The American Occupational Therapy Association, Inc.; Hawaii Pacific Health; Queen's Health Systems; Kaiser Permanente; Thrive For Life, LLC; Rehabilitation Hospital of the Pacific; and numerous individuals testified in support of this measure. An individual testified in opposition to this measure. The Department of Commerce and Consumer Affairs, Regulated Industries Complaints Office, and Occupational Therapy Association of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that all individual and group accident and health or sickness insurance policies; individual or group hospital or medical service plan contracts; and nonprofit mutual benefit society, fraternal benefit society, and health maintenance organization health plan contracts shall include coverage for the benefits of alcohol use disorder and substance abuse disorder;
- (2) Repealing section 431M-3, subsection 431M-4(a), and section 431M-5, HRS, regarding, respectively:
 - (A) Peer review;
 - (B) Minimum covered benefits for mental illness, alcohol dependence, and drug dependence benefits; and
 - (C) Nondiscrimination in deductibles, copayment plans, and other limitations on payment of benefits;

- (3) Changing the effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2820, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2820, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1215-14 Consumer Protection & Commerce on S.B. No. 2758

The purpose of this measure is to require the interest and other moneys earned on the principal of the Hurricane Reserve Trust Fund to be deposited into the Hurricane Reserve Trust Fund instead of being diverted to the general fund.

The Department of Budget and Finance, Department of Defense, and the Hawaii Association of REALTORS provided testimony in support of this measure.

Your Committee finds that the recent growth in general fund revenues has brought stability to the health of the general fund, reducing the necessity for the diversion of the interest earned from the principal of the Hurricane Reserve Trust Fund into the general fund. Your Committee further finds that the reallocation of interest and other moneys will ensure proper growth of the Hurricane Reserve Trust Fund. Your Committee believes that this is a prudent strategy to help the State meet its targeted objective of funding the state reserves available for hurricane reinsurance.

Your Committee has amended this measure by:

- (1) Deleting the June 30, 2019, sunset date; and
- (2) Changing the effective date to December 21, 2112, to facilitate further discussion on the measure.

Your Committee respectfully requests that the House Committee on Finance advance this measure but consider the reallocation of funding to the Hurricane Reserve Trust Fund for fiscal year 2015, due to the Council on Revenues' recent forecast of zero per cent growth for the upcoming fiscal year. Your Committee recognizes the importance of restoring the balance of the Hurricane Reserve Trust Fund, especially given that the likelihood of the State experiencing a hurricane increases with each passing year. However, your Committee believes that the \$187,000,000 allocated in fiscal year 2015 to the Hurricane Reserve Trust Fund, in H.B. No. 1700, H.D. 1, may be better utilized to partially augment the general fund, given the zero per cent growth forecast.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2758, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2758, S.D. 1, H.D. 1, and be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito and McDermott.

SCRep. 1216-14 Consumer Protection & Commerce on S.B. No. 2472

The purpose of this measure is to amend the regulations of occupational therapists and occupational therapist assistants by:

- (1) Establishing an Occupational Therapy Program and licensing requirements for occupational therapists and occupational therapist assistants; and
- (2) Appropriating funds to implement the Occupational Therapy Program.

The Department of Commerce and Consumer Affairs, Kaiser Permanente Hawaii, Hawaii Athletic Trainers' Association, and an individual provided testimony in support of this measure. The Hawaii Substance Abuse Coalition and American Council of Life Insurers provided comments.

Your Committee has amended this measure by:

- (1) Authorizing a fine of up to \$1,000 for a violation of section 457G-G of this measure;
- (2) Requiring licensure of persons engaged in the practice of occupational therapy or using the term "licensed" in their title, including occupational therapists and occupational therapist assistants, and authorizing a fine of not more than \$1,000 for the unlicensed practice of occupational therapy;
- (3) Amending the definitions of "occupational therapist" and "occupational therapy assistant" to clarify that the terms include persons who engage in the practice of occupational therapy;
- (4) Deleting the fine per violation of engaging in the unlicensed practice of occupational therapy;
- (5) Imposing an additional surcharge of \$100 in addition to other licensing fees on new licensees until the amount collected from the additional surcharge is equal to the amount of the funds appropriated by this measure;
- (6) Changing its effective date to upon approval; and

- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that the fines imposed by this measure, with the exception of the additional surcharge, are meant to discourage violation of the laws regulating occupational therapy. Your Committee respectfully requests that should your Committee on Finance deliberate on this measure, it consider inserting an appropriation of \$70,000.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2472, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2472, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1217-14 Consumer Protection & Commerce on S.B. No. 2054

The purpose of this measure is to require health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for screening, diagnosis, and treatment of autism spectrum disorders up to a maximum benefit of \$50,000 per year and a maximum lifetime benefit of \$300,000, with adjustments for inflation beginning after July 1, 2015, for individuals under 9 years of age.

The Department of Health; State Council on Developmental Disabilities; Representative of the Twenty-Fourth District of the State of Hawaii House of Representatives; Special Education Advisory Council; Hawaii Medical Association; Amazing Behaving, LLC; KJN Corporation; Autism Behavior Consulting Group, Inc.; Behavior Analysis No Ka Oi, Inc.; and several individuals provided testimony in support of this measure. The Hawaii Medical Service Association and a few individuals provided testimony in opposition to this measure. The Department of Human Services; Department of Budget and Finance; Kaiser Permanente Hawaii; Hawaii Association of Health Plans; Autism Speaks; Hawaii Disability Rights Center; Hawaii Behavioral Health; Autism Society of Hawaii; Chamber of Commerce of Hawaii; Easter Seals Hawaii; Unite Here! Local 5; and several individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Requiring coverage for treatment of autism spectrum disorders for individuals up to 18 years of age;
- (2) Including Medicaid plans in coverage requirements;
- (3) Requiring notice to insured individuals regarding coverage for treatment of autism spectrum disorders within calendar year 2016, but no later than December 31, 2016;
- (4) Requiring the University of Hawaii Economic Research Organization (UHERO) to contract, exempt from procurement code requirements, for an actuarial analysis considering specified factors of the projected costs of providing insurance coverage for screening, diagnosis, and treatment of autism spectrum disorders as required by this measure and to report findings and recommendations based on the analysis to the Legislature prior to the 2015 Regular Session;
- (5) Appropriating an unspecified amount to the University of Hawaii to contract for the actuarial analysis; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests that should your Committee on Finance consider this measure, it examine the cost of completing the actuarial analysis at its public hearing on the measure. Your Committee further notes that the possibility of establishing maximum benefit levels until 2016 through an innovation waiver under the Patient Protection and Affordable Care Act should be explored. Your Committee notes that its intent in requiring coverage for treatment of autism spectrum disorders for individuals up to 18 years of age is not meant to imply that autism spectrum disorders are not a lifelong disability.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2054, S.D. 3, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.B. No. 2054, S.D. 3, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1218-14 Labor & Public Employment on S.B. No. 3038

The purpose of this measure is to update procedures of the Hawaii Labor Relations Board to:

- (1) Clarify that the Governor shall first consider persons included on a list of names submitted by public employee representative organizations when appointing an acting member to temporarily replace a regular member of the Board who represents labor; and
- (2) Permit electronic service of hearing notices through a company designated by the Board.

The Hawaii Labor Relations Board provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3038 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative Ing.

SCRep. 1219-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.B. No. 3107

The purpose of this measure is to honor a musical instrument that is recognized throughout the world and has a tremendous history in Hawaii by establishing and designating the ukulele as the official State instrument.

Kamaka Hawaii, Inc.; The Center for Hawaiian Sovereignty Studies; and numerous concerned individuals testified in support of this measure. Numerous concerned individuals testified in opposition to this bill. Several individuals provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that the ukulele is the official musical string instrument of the State;
- (2) Changing the effective date to upon its approval; and
- (3) Making numerous technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3107, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3107, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1220-14 Energy & Environmental Protection on H.R. No. 167

The purpose of this measure is to achieve greater food security in the State by offsetting the energy costs for food producers in Hawaii.

The Department of Agriculture; Local Food Coalition; and Hawaii Cattlemen's Council, Inc. testified in support of this measure. The Public Utilities Commission commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Public Utilities Commission is urged to direct the Public Benefits Fee Administrator to design energy efficiency and conservation programs specific to the agriculture sector;
- (2) Specifying that the Public Utilities Commission is urged to direct Hawaii's electric utilities to offer incentives for agricultural uses that can utilize off-peak times or participate in demand response programs; and
- (3) Changing its title to read: "URGING THE PUBLIC UTILITIES COMMISSION TO ESTABLISH ENERGY EFFICIENCY AND CONSERVATION PROGRAMS FOR AGRICULTURAL ACTIVITIES THAT PRODUCE FOOD FOR LOCAL CONSUMPTION AND TO DEVELOP APPROPRIATE INCENTIVES FOR AGRICULTURAL USES THAT MAY BE SHIFTED TO OFF-PEAK TIMES OR MAY BE AVAILABLE TO PARTICIPATE IN DEMAND RESPONSE TO THE BENEFIT OF THE ELECTRIC GRID."

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 167, as amended herein, and recommends that it be referred to the Committee on Agriculture in the form attached hereto as H.R. No. 167, H.D. 1.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1221-14 Energy & Environmental Protection on H.C.R. No. 212

The purpose of this measure is to achieve greater food security in the State by offsetting the energy costs for food producers in Hawaii.

The Department of Agriculture; Local Food Coalition; and Hawaii Cattlemen's Council, Inc. testified in support of this measure. The Public Utilities Commission commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Public Utilities Commission is urged to direct the Public Benefits Fee Administrator to design energy efficiency and conservation programs specific to the agriculture sector;
- (2) Specifying that the Public Utilities Commission is urged to direct Hawaii's electric utilities to offer incentives for agricultural uses that can utilize off-peak times or participate in demand response programs; and
- (3) Changing its title to read: "URGING THE PUBLIC UTILITIES COMMISSION TO ESTABLISH ENERGY EFFICIENCY AND CONSERVATION PROGRAMS FOR AGRICULTURAL ACTIVITIES THAT PRODUCE FOOD FOR LOCAL CONSUMPTION AND TO DEVELOP APPROPRIATE INCENTIVES FOR AGRICULTURAL USES THAT MAY BE SHIFTED TO OFF-PEAK TIMES OR MAY BE AVAILABLE TO PARTICIPATE IN DEMAND RESPONSE TO THE BENEFIT OF THE ELECTRIC GRID."

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your

Committee concurs with the intent and purpose of H.C.R. No. 212, as amended herein, and recommends that it be referred to the Committee on Agriculture in the form attached hereto as H.C.R. No. 212, H.D. 1.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1222-14 Health on H.R. No. 87

The purpose of this measure is to improve emergency room patient outcomes by requesting the Director of Health to:

- (1) Establish a task force to study the scope and feasibility of an emergency services patient advocate program; and
- (2) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

Three individuals testified in support of this measure. Kaiser Permanente and the Healthcare Association of Hawaii offered comments.

Your Committee has amended this measure by:

- (1) Amending the task force's membership to include four representatives from the Subarea Health Planning Council of the State Health Planning and Development Agency and the directors of emergency rooms in the state; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 87, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.R. No. 87, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Hashem and Jordan.

SCRep. 1223-14 Health on H.C.R. No. 122

The purpose of this measure is to improve emergency room patient outcomes by requesting the Director of Health to:

- (1) Establish a task force to study the scope and feasibility of an emergency services patient advocate program; and
- (2) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

Three individuals testified in support of this measure. Kaiser Permanente and the Healthcare Association of Hawaii offered comments.

Your Committee has amended this measure by:

- (1) Amending the task force's membership to include four representatives from the Subarea Health Planning Council of the State Health Planning and Development Agency and the directors of emergency rooms in the state; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 122, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 122, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Hashem and Jordan.

SCRep. 1224-14 Economic Development & Business on H.R. No. 134

The purpose of this measure is to increase government efficiency and allow the State to avoid poor-performing contractors when issuing public contracts by requesting the State Procurement Office to conduct a study on the feasibility, necessary processes, and costs relative to requiring the consideration of past performance as a factor in awarding public contracts, including low bid contracts.

The State Procurement Office testified in support of this measure. The General Contractors Association of Hawaii provided comments.

Your Committee notes that while the State Procurement Office indicated that the Office welcomes the opportunity to perform this study, the Office estimates that it will need approximately \$25,000 for completion of this study.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 134 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1225-14 Economic Development & Business on H.C.R. No. 176

The purpose of this measure is to increase government efficiency and allow the State to avoid poor-performing contractors when issuing public contracts by requesting the State Procurement Office to conduct a study on the feasibility, necessary processes, and costs relative to requiring the consideration of past performance as a factor in awarding public contracts, including low bid contracts.

The State Procurement Office testified in support of this measure. The General Contractors Association of Hawaii provided comments.

Your Committee notes that while the State Procurement Office indicated that the Office welcomes the opportunity to perform this study, the Office estimates that it will need approximately \$25,000 for completion of this study.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 176 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1226-14 Education on H.R. No. 69

The purpose of this measure is to support public education in Hawaii by requesting the Legislative Reference Bureau to:

- (1) Study the feasibility of dividing the Department of Education into two or more local educational agencies and the effects of such a division on the State's public education system, including the potential gain or loss of federal moneys for education; and
- (2) Submit a report of its findings and recommendations, including any proposed legislation, to the Legislature at least 20 days prior to the convening of the Regular Session of 2015.

The Hawaii Public Charter Schools Network supported this measure. The Legislative Reference Bureau provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 69 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1227-14 Education on H.C.R. No. 95

The purpose of this measure is to support public education in Hawaii by requesting the Legislative Reference Bureau to:

- (1) Study the feasibility of dividing the Department of Education into two or more local educational agencies and the effects of such a division on the State's public education system, including the potential gain or loss of federal moneys for education; and
- (2) Submit a report of its findings and recommendations, including any proposed legislation, to the Legislature at least 20 days prior to the convening of the Regular Session of 2015.

The Hawaii Public Charter Schools Network supported this measure. The Legislative Reference Bureau provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 95 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1228-14 Health on H.R. No. 188

The purpose of this measure is to assess whether children in Hawaii who are deaf or severely hard of hearing receive the proper training and support to learn spoken language skills through the aural/oral route of communication by requesting the Superintendent of Education and the Director of Health to:

- (1) Establish a working group to assess the needs of deaf and severely hard of hearing children in Hawaii, the availability of qualified speech therapy professionals, the potential role of telehealth services in connecting families to necessary services, and the role of insurance in providing coverage of necessary therapy; and
- (2) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

The Department of Health, the State Council on Developmental Disabilities, and several individuals testified in support of this measure. The Department of Education offered comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 188 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1229-14 Health on H.C.R. No. 238

The purpose of this measure is to assess whether children in Hawaii who are deaf or severely hard of hearing receive the proper training and support to learn spoken language skills through the aural/oral route of communication by requesting the Superintendent of Education and the Director of Health to:

- (1) Establish a working group to assess the needs of deaf and severely hard of hearing children in Hawaii, the availability of qualified speech therapy professionals, the potential role of telehealth services in connecting families to necessary services, and the role of insurance in providing coverage of necessary therapy; and
- (2) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

The Department of Health, the State Council on Developmental Disabilities, and several individuals testified in support of this measure. The Department of Education offered comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 238 and recommends that it be referred to the Committee on Education.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1230-14 Health on H.R. No. 186

The purpose of this measure is to preserve the traditional Hawaiian practice of sun-drying fish while also protecting the public from foodborne illnesses by requesting the Department of Health to:

- (1) Investigate the potential for microbiological contamination of traditionally prepared fish; and
- (2) Examine how the exemptions made for hand-pounded pa'i'ai may enlighten future policies for sun-dried fish; and
- (3) Extend relevant food establishment permits for businesses that sell sun-dried fish while the study is being conducted; and
- (4) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

The Association of Hawaiian Civic Clubs, the Kuakini Hawaiian Civic Club of Kona, Kako'o 'Oiwī, and several individuals testified in support of this measure. The Department of Health testified in opposition. An individual provided comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 186 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1231-14 Health on H.C.R. No. 236

The purpose of this measure is to preserve the traditional Hawaiian practice of sun-drying fish while also protecting the public from foodborne illnesses by requesting the Department of Health to:

- (1) Investigate the potential for microbiological contamination of traditionally prepared fish; and
- (2) Examine how the exemptions made for hand-pounded pa'i'ai may enlighten future policies for sun-dried fish; and
- (3) Extend relevant food establishment permits for businesses that sell sun-dried fish while the study is being conducted; and
- (4) Submit a report of its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

The Association of Hawaiian Civic Clubs, the Kuakini Hawaiian Civic Club of Kona, Kako'o 'Oiwī, and several individuals testified in support of this measure. The Department of Health testified in opposition. An individual provided comments.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 236 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1232-14 Health on H.R. No. 98

The purpose of this measure is to urge the Department of Health to consider charging reasonable fees when licensing healthcare facilities.

Many individuals testified in support of this measure. The Department of Health, Adult Foster Homes of the Pacific, and an individual opposed

this measure. The Healthcare Association of Hawaii and two individuals offered comments.

Your Committee has amended this measure by:

- (1) Amending its title from "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF HEALTH TO REFRAIN FROM CHARGING LICENSING FEES TO HOME CARE AGENCIES" to "URGING THE DEPARTMENT OF HEALTH TO CONSIDER THE CHARGING OF REASONABLE LICENSING FEES TO HEALTHCARE FACILITIES";
- (2) Making the assessment of licensing fees applicable to healthcare facilities, rather than home care agencies, throughout this measure;

Should the House Committee on Finance deliberate on this measure, your Committee believes that in the determination of reasonable fees for healthcare facilities, consideration be given to the costs of operating a healthcare facility.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 98, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 98, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1233-14 Health on H.C.R. No. 135

The purpose of this measure is to urge the Department of Health to consider charging reasonable fees when licensing healthcare facilities.

Many individuals testified in support of this measure. The Department of Health, Adult Foster Homes of the Pacific, and an individual opposed this measure. The Healthcare Association of Hawaii and two individuals offered comments.

Your Committee has amended this measure by:

- (1) Amending its title from "HOUSE CONCURRENT RESOLUTION URGING THE DEPARTMENT OF HEALTH TO REFRAIN FROM CHARGING LICENSING FEES TO HOME CARE AGENCIES" to "URGING THE DEPARTMENT OF HEALTH TO CONSIDER THE CHARGING OF REASONABLE LICENSING FEES TO HEALTHCARE FACILITIES";
- (2) Making the assessment of licensing fees applicable to healthcare facilities, rather than home care agencies, throughout this measure;

Should the House Committee on Finance deliberate on this measure, your Committee believes that in the determination of reasonable fees for healthcare facilities, consideration be given to the costs of operating a healthcare facility.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 135, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 135, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1234-14 Health on H.R. No. 91

The purpose of this measure is to request the Department of Health to:

- (1) Adopt administrative rules to regulate noise pollution from household and residential sources above a rate of 55 dBA on parcels of land zoned as residential, excluding projects with a permit issued by State or County agencies; and
- (2) Consider the following factors in determining whether noise pollution exists: recorded decibel, duration of the noise, time of day at which the noise occurs, nature and source of the noise, the character of the area in which it occurs, and duration of time in which the noise pollution occurs; and
- (3) Adopt an appropriate system of citations, fines, or other courses of action to address individuals determined to be in violation of the noise pollution rules adopted by the Department of Health.

The Department of Health opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 91 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1235-14 Health on H.C.R. No. 126

The purpose of this measure is to request the Department of Health to:

- (1) Adopt administrative rules to regulate noise pollution from household and residential sources above a rate of 55 dBA on parcels of land zoned as residential, excluding projects with a permit issued by State or County agencies; and

- (2) Consider the following factors in determining whether noise pollution exists: recorded decibel, duration of the noise, time of day at which the noise occurs, nature and source of the noise, the character of the area in which it occurs, and duration of time in which the noise pollution occurs; and
- (3) Adopt an appropriate system of citations, fines, or other courses of action to address individuals determined to be in violation of the noise pollution rules adopted by the Department of Health.

The Department of Health and an individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 126 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1236-14 Health on H.C.R. No. 40

The purpose of this measure is to formally recognize and designate the Hawaii Health Information Exchange as the only fully operational, statewide health information exchange operating in the State of Hawaii and that the Exchange, in conjunction with the Hawaii State Legislature and administration, continue to advance health care transformation initiatives, including the electronic exchange of health information.

The Office of the Governor, the Department of Health, the Hawaii Health Information Corporation, the Hawaii Health Information Exchange, the Hawaii-Alaska Chapter of Health Information Management and Systems Society, and Kaiser Permanente support this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 40 and recommends that it be referred to the Committee on Consumer Protection & Commerce.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1237-14 Health on H.C.R. No. 140

The purpose of this measure is to request that the Director of Human Services, in collaboration with providers, take steps to rebase the basic prospective payment system rates for intermediate care facilities for individuals with intellectual disabilities that serve Medicaid recipients to be effective July 1, 2015, for the fiscal year ending June 30, 2016, and using cost reports from providers from the base year ending June 30, 2013. Additionally, the Director of Health is urged to include sufficient funding to cover any increase in basic prospective payment system rates resulting from the aforementioned rebasing in its 2015-2017 biennium budget.

The Department of Commerce and Consumer Affairs, the State Council on Developmental Disabilities, The Department of Health, ARC of Maui, Hawaii Disability Rights Center, The Arc in Hawaii and several individuals supported this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 140 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1238-14 Health on H.C.R. No. 239

The purpose of this measure is to request the Hawaii Health Systems Corporation and its contractors to itemize medical bills prepared for patients and to adopt and implement a uniform grievance procedure for the resolution of complaints relating to medical bills.

Two individuals supported this measure. The Hawaii Health Systems Corporation opposed this measure.

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

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1239-14 Health on H.R. No. 123

The purpose of this measure is to address community concerns by urging the Department of Health and the University of Hawaii Windward Community College to hold community meetings on their current and ongoing plans for the parcels of land along the southern boundary of the Windward Community College campus.

The Department of Health offered comments on this measure.

Your Committee has amended this measure by amending its title to read:

"STRONGLY URGING THE DEPARTMENT OF HEALTH AND THE UNIVERSITY OF HAWAII WINDWARD COMMUNITY COLLEGE TO CONDUCT A COMMUNITY MEETING TO EXPLAIN THEIR CURRENT AND ONGOING PLANS FOR THE PARCELS

OF LAND ALONG THE SOUTHERN BOUNDARY OF THE WINDWARD COMMUNITY COLLEGE CAMPUS."

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 123, as amended herein, and recommends that it be referred to the Committee on Higher Education in the form attached hereto as H.R. No. 123, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1240-14 Health on H.C.R. No. 163

The purpose of this measure is to address community concerns by urging the Department of Health and the University of Hawaii Windward Community College to hold community meetings on their current and ongoing plans for the parcels of land along the southern boundary of the Windward Community College campus.

The Department of Health offered comments on this measure.

Your Committee has amended this measure by amending its title to read:

"STRONGLY URGING THE DEPARTMENT OF HEALTH AND THE UNIVERSITY OF HAWAII WINDWARD COMMUNITY COLLEGE TO CONDUCT A COMMUNITY MEETING TO EXPLAIN THEIR CURRENT AND ONGOING PLANS FOR THE PARCELS OF LAND ALONG THE SOUTHERN BOUNDARY OF THE WINDWARD COMMUNITY COLLEGE CAMPUS."

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 163, as amended herein, and recommends that it be referred to the Committee on Higher Education in the form attached hereto as H.C.R. No. 163, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1241-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 124

The purpose of this measure is to request the Office of Hawaiian Affairs to consider renegotiating the State's transfer of land to the Office of Hawaiian Affairs for disputed claims relating to a portion of income proceeds from the public land trust pursuant to Act 15, Session Laws of Hawaii 2012.

The Kakaako Makai Community Planning Advisory Council, Na Koa Ikaika, and a few individuals provided testimony in support of this measure. The Office of Hawaiian Affairs and Kakaako United provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 124 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1242-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 164

The purpose of this measure is to request the Office of Hawaiian Affairs to consider renegotiating the State's transfer of land to the Office of Hawaiian Affairs for disputed claims relating to a portion of income proceeds from the public land trust pursuant to Act 15, Session Laws of Hawaii 2012.

The Kakaako Makai Community Planning Advisory Council, Na Koa Ikaika, and a few individuals provided testimony in support of this measure. The Office of Hawaiian Affairs and Kakaako United provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 164 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1243-14 Health on H.R. No. 64

The purpose of this measure is to request the Department of Health to establish a working group to explore strategies and develop recommendations that will allow dogs to be welcomed in participating restaurants and bars while ensuring the health and safety of both humans and animals.

The Humane Society of the United States – Hawaii Office, Hawaiian Humane Society, and several individuals supported this measure. An individual opposed this measure. The Department of Health and the Disability and Communication Access Board commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting the Department of Health as the entity to establish the working group, and leaving the entity unspecified while further discussion ensues to determine the appropriate entity and whether a private, nonprofit organization can convene such a working group;
- (2) Also leaving blank the entity responsible for inviting certain participants to the working group and transmitting certified copies of the measure; and

- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 64, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.R. No. 64, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1244-14 Health on H.C.R. No. 89

The purpose of this measure is to request the Department of Health to establish a working group to explore strategies and develop recommendations that will allow dogs to be welcomed in participating restaurants and bars while ensuring the health and safety of both humans and animals.

The Hawaiian Humane Society and several individuals supported this measure. An individual opposed this measure. The Department of Health and the Disability and Communication Access Board commented on this measure.

Your Committee has amended this measure by:

- (1) Deleting the Department of Health as the entity to establish the working group, and leaving the entity unspecified while further discussion ensues to determine the appropriate entity and whether a private, nonprofit organization can convene such a working group;
- (2) Also leaving blank the entity responsible for inviting certain participants to the working group and transmitting certified copies of the measure; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 89, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 89, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1245-14 Judiciary on H.C.R. No. 116

The purpose of this measure to request the Hawaii Access to Justice Commission to convene a working group to develop an educational loan repayment program for William S. Richardson School of Law graduates and to expand opportunities to pursue public interest careers for the benefit of underserved communities in Hawaii.

The William S. Richardson School of Law, University of Hawaii at Manoa; Hawaii Access to Justice Commission; Community Alliance on Prisons; Hawaii Appleseed Center for Law and Economic Justice; and Student Bar Association of the William S. Richardson School of Law, University of Hawaii at Manoa submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 116 and recommends that it be referred to the Committee on Higher Education.

Signed by all members of the Committee except Representatives Belatti and Ito.

SCRep. 1246-14 Water & Land on H.R. No. 78

The purpose of this measure is to request the Chairperson of the Board of Land and Natural Resources to convene a task force to investigate and make recommendations on addressing the effects of coastal erosion and climate change through State purchases of coastal land to enable managed retreat of infrastructure and development from the shoreline.

The Department of Land and Natural Resources submitted comments on this measure.

Your Committee has amended this measure by deleting a reference to "legacy beaches" to reflect that this measure is intended to protect all coastal and shoreline areas of the State.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 78, as amended herein, and recommends that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs in the form attached hereto as H.R. No. 78, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1247-14 Water & Land on H.C.R. No. 105

The purpose of this measure is to request the Chairperson of the Board of Land and Natural Resources to convene a task force to investigate and make recommendations on addressing the effects of coastal erosion and climate change through State purchases of coastal land to enable managed retreat of infrastructure and development from the shoreline.

The Department of Land and Natural Resources submitted comments on this measure.

Your Committee has amended this measure by deleting a reference to "legacy beaches" to reflect that this measure is intended to protect all coastal and shoreline areas of the State.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 105, as amended herein, and recommends that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs in the form attached hereto as H.C.R. No. 105, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1248-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 14

The purpose of this measure is to authorize the issuance of a lease and easement of certain submerged and fast lands at Manele Bay Small Boat Harbor, Lanai, identified as Tax Map Key (2) 4-9-17:06, to Lanai Resorts, LLC pursuant to section 171-53, Hawaii Revised Statutes.

The Department of Land and Natural Resources, Pulama Lanai, and Trilogy Excursions provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 14 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1249-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 233

The purpose of this measure is to request that the Department of Land and Natural Resources emphasize the importance of Hawaiian history, culture, and language during the orientation of all new employees and the training of all new and existing administrators.

The Association of Hawaiian Civic Clubs provided testimony in support of this measure. The Department of Land and Natural Resources provided comments.

Your Committee respectfully requests that, should your Committee on Finance consider this measure, that it consider appropriating \$80,000 to the Department of Land and Natural Resources to implement the training requested by this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 233 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1250-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 180

The purpose of this measure is to request the Department of Land and Natural Resources to conduct an opihi management study on the replenishment of natural populations of all opihi and consult with the Aha Moku Advisory Committee and other individuals or entities with expertise in opihi management. The study is requested to:

- (1) Encompass all islands of the State, including the Northwest Hawaiian Islands;
- (2) Recommend best management practices for each island area; and
- (3) Recommend effective enforcement mechanisms for implementing the best management practices.

The Department of Land and Natural Resources and Association of Hawaiian Civic Clubs provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 180 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1251-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 229

The purpose of this measure is to request the Department of Land and Natural Resources to conduct an opihi management study on the replenishment of natural populations of all opihi and consult with the Aha Moku Advisory Committee and other individuals or entities with expertise in opihi management. The study is requested to:

- (1) Encompass all islands of the State, including the Northwest Hawaiian Islands;
- (2) Recommend best management practices for each island area; and
- (3) Recommend effective enforcement mechanisms for implementing the best management practices.

The Department of Land and Natural Resources and Association of Hawaiian Civic Clubs provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 229 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1252-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 129

The purpose of this measure is to urge the Department of Land and Natural Resources to adopt rules to manage manta ray dive sites to ensure that safety and order are maintained at these areas.

The Department of Land and Natural Resources; Fair Wind, Inc.; Ocean Wings Hawaii, Inc.; and Marine and Coastal Zone Advocacy Council provided testimony in support of this measure. The Ocean Tourism Coalition and Hawaiian Islands Recreational Scuba Association provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 129 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1253-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 170

The purpose of this measure is to urge the Department of Land and Natural Resources to adopt rules to manage manta ray dive sites to ensure that safety and order are maintained at these areas.

The Department of Land and Natural Resources; Fair Wind, Inc.; Ocean Wings Hawaii, Inc.; and Marine and Coastal Zone Advocacy Council provided testimony in support of this measure. The Ocean Tourism Coalition and Hawaiian Islands Recreational Scuba Association provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 170 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1254-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 171

The purpose of this measure is to request the Office of Hawaiian Affairs to conduct itself in an open and transparent manner by providing documentation of its actions regarding lands in Kakaako received pursuant to Act 15, Session Laws of Hawaii 2012. This measure also urges the Office of Hawaiian Affairs to conduct its actions with regard to the foregoing lands in an open and transparent manner.

Kakaako United, Kakaako Makai Community Planning Advisory Council, Na Koa Ikaika, and an individual provided testimony in support of this measure. The Office of Hawaiian Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 171 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1255-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 219

The purpose of this measure is to request the Office of Hawaiian Affairs to conduct itself in an open and transparent manner by providing documentation of its actions regarding lands in Kakaako received pursuant to Act 15, Session Laws of Hawaii 2012. This measure also urges the Office of Hawaiian Affairs to conduct its actions with regard to the foregoing lands in an open and transparent manner.

Kakaako United, Kakaako Makai Community Planning Advisory Council, Na Koa Ikaika, and two individuals provided testimony in support of this measure. The Office of Hawaiian Affairs provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 219 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee.

SCRep. 1256-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 132

The purpose of this measure is to urge the City and County of Honolulu to repair and maintain the beach access points at Sunset Beach on the North Shore of Oahu.

Your Committee did not receive any testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 132 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1257-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 174

The purpose of this measure is to urge the City and County of Honolulu to repair and maintain the beach access points at Sunset Beach on the North Shore of Oahu.

Your Committee did not receive any testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 174 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1258-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 150

The purpose of this measure is to urge Hawaii's congressional delegation to request an audit of the Western Pacific Regional Fishery Management Council that focuses on expenditures made by the Council for community-based sustainability education and outreach programs, program coordinators, and activities from 2000-2013.

Your Committee did not receive testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 150 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1259-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 189

The purpose of this measure is to urge Hawaii's congressional delegation to request an audit of the Western Pacific Regional Fishery Management Council that focuses on expenditures made by the Council for community-based sustainability education and outreach programs, program coordinators, and activities from 2000-2013.

Your Committee did not receive testimony on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 189 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1260-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 149

The purpose of this measure is to request the Chairperson of the Hawaiian Homes Commission to submit to each legislator no later than 20 days prior to the convening of the Regular Session of 2015, a report on the following issues relating to the Hawaiian Home Lands homestead leases:

- (1) The total number of applicants on the waiting list by island;
- (2) The total number of designated successors of lessees of a homestead lease;
- (3) The total number of lessees, who in the last ten years transferred their homestead leases to transferees and were reinstated as applicants to a waiting list;
- (4) The total number of wait-listed applicants in the last 10 years who chose to not accept an award of a homestead lease;
- (5) An explanation of the decision-making process used in retaining or reinstating applicants to a waiting list; and
- (6) The specific reasons that an applicant is allowed to be reinstated to a waiting list after transferring a homestead lease to a transferee.

The Department of Hawaiian Home Lands (Department) commented on this measure.

Your Committee notes that the Department has testified that it is able to prepare and submit a report at any time for responses on:

- (1) The total number of applicants on the waiting list by island;
- (2) An explanation of the decision-making process used in retaining or reinstating applicants to a waiting list; and

- (3) The specific reasons that an applicant is allowed to be reinstated to a waiting list after transferring a homestead lease to a transferee.

However, the Department testified that gathering data on the remaining items would require its staff to manually survey over 42,830 application files and 9,844 lessee files. The Department also testified that it would be more feasible to complete a sample survey on the remaining items instead.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 149 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1261-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 188

The purpose of this measure is to request the Chairperson of the Hawaiian Homes Commission to submit to each legislator no later than 20 days prior to the convening of the Regular Session of 2015, a report on the following issues relating to the Hawaiian Home Lands homestead leases:

- (1) The total number of applicants on the waiting list by island;
- (2) The total number of designated successors of lessees of a homestead lease;
- (3) The total number of lessees, who in the last ten years transferred their homestead leases to transferees and were reinstated as applicants to a waiting list;
- (4) The total number of wait-listed applicants in the last 10 years who chose to not accept an award of a homestead lease;
- (5) An explanation of the decision-making process used in retaining or reinstating applicants to a waiting list; and
- (6) The specific reasons that an applicant is allowed to be reinstated to a waiting list after transferring a homestead lease to a transferee.

The Department of Hawaiian Home Lands (Department) commented on this measure.

Your Committee notes that the Department has testified that it is able to prepare and submit a report at any time for responses on:

- (1) The total number of applicants on the waiting list by island;
- (2) An explanation of the decision-making process used in retaining or reinstating applicants to a waiting list; and
- (3) The specific reasons that an applicant is allowed to be reinstated to a waiting list after transferring a homestead lease to a transferee.

However, the Department testified that gathering data on the remaining items would require its staff to manually survey over 42,830 application files and 9,844 lessee files. The Department also testified that it would be more feasible to complete a sample survey on the remaining items instead.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 188 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1262-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 118

The purpose of this measure is to urge Hawaii's congressional delegation to introduce federal legislation to provide the Department of Hawaiian Home Lands with funding for its homestead program.

The Office of Hawaiian Affairs provided testimony in support of this measure. The Department of Hawaiian Home Lands provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 118 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1263-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 157

The purpose of this measure is to urge Hawaii's congressional delegation to introduce federal legislation to provide the Department of Hawaiian Home Lands with funding for its homestead program.

The Office of Hawaiian Affairs provided testimony in support of this measure. The Department of Hawaiian Home Lands provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 157 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1264-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 60

The purpose of this measure is to recognize Hokule'a's worldwide voyage to raise awareness of the issues confronting Hawaii's shorelines, reefs, and deep waters, while honoring and sharing Hawaiian knowledge and practices of natural resource management by urging the Governor to proclaim 2014 as the Year of the Worldwide Voyage.

The Association of Hawaiian Civic Clubs and Hawaii Association of Independent Schools provided testimony in support of this measure. An individual provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 60 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee.

SCRep. 1265-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 85

The purpose of this measure is to recognize Hokule'a's worldwide voyage to raise awareness of the issues confronting Hawaii's shorelines, reefs, and deep waters, while honoring and sharing Hawaiian knowledge and practices of natural resource management by urging the Governor to proclaim 2014 as the Year of the Worldwide Voyage.

The Association of Hawaiian Civic Clubs and Hawaii Association of Independent Schools provided testimony in support of this measure. An individual provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 85 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee.

SCRep. 1266-14 Higher Education on H.R. No. 7

The purpose of this measure is to prevent sex discrimination and violence against women and girls at the University of Hawaii by, among other things:

- (1) Requesting the University of Hawaii to:
 - (A) Affirm its commitment to the tenets of Title IX and the Violence Against Women Reauthorization Act of 2013 (VAWA) and to the prevention of all forms of violence against women and girls;
 - (B) Ensure that the University of Hawaii is committed to increasing resources and strengthening the institutional infrastructure of all its campuses with respect to addressing and preventing sexual violence and other forms of gender violence and discrimination;
 - (C) Meet the mandates of Title IX, including publicizing notice of nondiscrimination on the basis of sex; designating an employee to coordinate compliance with Title IX; adopting appropriate complaint and investigation procedures; implementing educational and victim-resource programs; and providing various forms of training;
 - (D) Formulate plans to address and prevent gender discrimination and gender violence across the University of Hawaii system but particularly at the University of Hawaii at Manoa;
 - (E) Conduct a study on the prevalence of sexual violence on all campuses of the University of Hawaii system and disseminate copies of this study, as appropriate;
 - (F) Identify crucial stakeholders and offices to handle complaints of sex-based violence, harassment, and discrimination; and
 - (G) Develop streamlined policies and procedures to assist complainants and to help the University of Hawaii respond to complaints in a timely and effective manner; and
- (2) Requesting the University of Hawaii to submit a report of its guidelines and the status of its Title IX and VAWA policies, procedures, staffing, and statistics, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The Hawaii State Commission on the Status of Women; Hawaii Civil Rights Commission; YWCA of Oahu; Americans for Democratic Action; Planned Parenthood of Hawaii; Women's Caucus of the Democratic Party of Hawaii; Hawaii Women's Coalition; Sex Abuse Treatment Center; Gay, Lesbian, Bisexual, and Transgender Caucus of the Democratic Party of Hawaii; and five concerned individuals supported the measure. The University of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 7 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Aquino, Say and Takai.

SCRep. 1267-14 Higher Education on H.C.R. No. 12

The purpose of this measure is to prevent sex discrimination and violence against women and girls at the University of Hawaii by, among other things:

- (1) Requesting the University of Hawaii to:
 - (A) Affirm its commitment to the tenets of Title IX and the Violence Against Women Reauthorization Act of 2013 (VAWA) and to the prevention of all forms of violence against women and girls;
 - (B) Ensure that the University of Hawaii is committed to increasing resources and strengthening the institutional infrastructure of all its campuses with respect to addressing and preventing sexual violence and other forms of gender violence and discrimination;
 - (C) Meet the mandates of Title IX, including publicizing notice of nondiscrimination on the basis of sex; designating an employee to coordinate compliance with Title IX; adopting appropriate complaint and investigation procedures; implementing educational and victim-resource programs; and providing various forms of training;
 - (D) Formulate plans to address and prevent gender discrimination and gender violence across the University of Hawaii system but particularly at the University of Hawaii at Manoa;
 - (E) Conduct a study on the prevalence of sexual violence on all campuses of the University of Hawaii system and disseminate copies of this study, as appropriate;
 - (F) Identify crucial stakeholders and offices to handle complaints of sex-based violence, harassment, and discrimination; and
 - (G) Develop streamlined policies and procedures to assist complainants and to help the University of Hawaii respond to complaints in a timely and effective manner; and
- (2) Requesting the University of Hawaii to submit a report of its guidelines and the status of its Title IX and VAWA policies, procedures, staffing, and statistics, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The Hawaii State Commission on the Status of Women; Hawaii Civil Rights Commission; YWCA of Oahu; Americans for Democratic Action; Planned Parenthood of Hawaii; Women's Caucus of the Democratic Party of Hawaii; Hawaii Women's Coalition; Sex Abuse Treatment Center; Gay, Lesbian, Bisexual, and Transgender Caucus of the Democratic Party of Hawaii; and five concerned individuals supported the measure. The University of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 12 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representatives Aquino, Say and Takai.

SCRep. 1268-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 26

The purpose of this measure is to enrich the State's communities, take a positive step toward reducing graffiti, and expand opportunities appropriate for this type of creative social expression by requesting the State Foundation on Culture and the Arts to establish and administer a pilot program for the creation of urban art on State-owned property.

A concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 26 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1269-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 44

The purpose of this measure is to enrich the State's communities, take a positive step toward reducing graffiti, and expand opportunities appropriate for this type of creative social expression by requesting the State Foundation on Culture and the Arts to establish and administer a pilot program for the creation of urban art on State-owned property.

A concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 44 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1270-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 45

The purpose of this measure is to preserve human rights by calling on the Government of the People's Republic of China to immediately end the practice of organ harvesting from prisoners, particularly from Falun Gong prisoners of conscience and members of other religious and ethnic minority groups.

Numerous concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 45 and recommends that it be referred to the Committee on Judiciary.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1271-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 47

The purpose of this measure is to honor the sacrifices of those who served in the Armed Forces and assist Hawaii's veterans with their long-term care needs by urging the President of the United States and the United States Congress to support Hawaii's issuance of general obligation bonds to finance the construction of a long-term care facility for veterans, contingent upon the receipt of federal funds.

The Department of Defense, Office of Veterans' Services, The Chamber of Commerce of Hawaii, National Association for Uniformed Services, and Advisory Board on Veterans' Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 47 and recommends that it be referred to the Committee on Health.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1272-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 68

The purpose of this measure is to honor the sacrifices of those who served in the Armed Forces and assist Hawaii's veterans with their long-term care needs by urging the President of the United States and the United States Congress to support Hawaii's issuance of general obligation bonds to finance the construction of a long-term care facility for veterans, contingent upon the receipt of federal funds.

The Department of Defense, Office of Veterans' Services, The Chamber of Commerce of Hawaii, National Association for Uniformed Services, and Advisory Board on Veterans' Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 68 and recommends that it be referred to the Committee on Health.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1273-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 167

The purpose of this measure is to celebrate the hard work and creative vision of the State Foundation on Culture and the Arts to promote, perpetuate, and preserve culture and the arts in Hawaii over the past 50 years by establishing a task force to plan and coordinate the Foundation's 50th anniversary.

The State Foundation on Culture and the Arts testified in support of this measure. The Department of Accounting and General Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 167 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Ohno, Takai, Wooley and McDermott.

SCRep. 1274-14 Housing on H.C.R. No. 131

The purpose of this measure is to:

- (1) Request governmental agencies, private sector housing developers, and community organizations to collaborate to produce a comprehensive statewide housing plan and report their findings to the Legislature; and
- (2) Request certain standing committees of the Legislature to host informational briefings to inform the public of on-going plans for housing development in Hawaii.

The State Council on Developmental Disabilities, Department of Hawaiian Home Lands, Hawaii Primary Care Association, Community Alliance for Mental Health, and United Self Help supported this measure. The Hawaii Public Housing Authority and Hawaii Housing Finance and Development Corporation supported the intent of this measure. The Hawaii Community Development Authority provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requesting that the Hawaii Housing Finance and Development Corporation take the lead in drafting the statewide housing plan by convening and chairing a working group and providing administrative support;
- (2) Encouraging federal governmental agencies to also contribute to the plan, either by participating directly, or by sharing housing data; and
- (3) Allowing working group members to be reimbursed for incidental expenses, including travel costs, incurred in the performance of their duties.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 131, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 131, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Carroll and Jordan.

SCRep. 1275-14 Public Safety on H.C.R. No. 34

The purpose of this measure is to honor the State of Hawaii's fallen emergency first responders by requesting the construction of a Hawaii Emergency Responders Memorial on the grounds of the Capitol District.

The Department of Health, American Medical Response, and numerous concerned individuals supported this measure. The Department of Accounting and General Services and a few concerned individuals offered comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the individuals recognized by the Hawaii Emergency Responders Memorial include among its honored members emergency responders employed by private companies contracted with a government agency to provide emergency services, who died in the line of duty in the State of Hawaii; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 34, H.D. 1.

Signed by all members of the Committee except Representatives Har, Nakashima, Yamane and McDermott.

SCRep. 1276-14 Public Safety on H.R. No. 80

The purpose of this measure is to generate local jobs and to protect the rights of both public and contracted employees as provided by law by urging the use of Hawaii-based union contractors and workers for State correctional facility construction or renovation projects.

The Subcontractors Association of Hawaii; International Union of Painters and Allied Trades, District Council 50; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers, Architectural Metal Glass Workers Local Union 1889 AFL-CIO Stabilization Fund; and Ironworkers Stabilization Fund supported this measure. The Department of Public Safety and General Contractors Association of Hawaii offered comments on this measure.

Your Committee respectfully requests that the Committee on Finance, should it consider this measure, investigate, as an alternative to the policy expressed in this measure, a policy that urges the State to use pre-qualified, experienced contractors and subcontractors who have worked on similar projects.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 80 and recommends that it be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Har, Nakashima and McDermott.

SCRep. 1277-14 Public Safety on H.C.R. No. 109

The purpose of this measure is to generate local jobs and to protect the rights of both public and contracted employees as provided by law by urging the use of Hawaii-based union contractors and workers for State correctional facility construction or renovation projects.

The Subcontractors Association of Hawaii; International Union of Painters and Allied Trades, District Council 50; Painting Industry of Hawaii Labor Management Cooperation Trust Fund; Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund; Hawaii Tapers Market Recovery Trust Fund; Hawaii Glaziers, Architectural Metal Glass Workers Local Union 1889 AFL-CIO Stabilization Fund; and Ironworkers Stabilization Fund supported this measure. The Department of Public Safety and General Contractors Association of Hawaii offered comments on this measure.

Your Committee respectfully requests that the Committee on Finance, should it consider this measure, investigate, as an alternative to the policy expressed in this measure, a policy that urges the State to use pre-qualified, experienced contractors and subcontractors who have worked on similar projects.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 109 and recommends that it be referred to the Committee on Labor & Public Employment.

Signed by all members of the Committee except Representatives Har, Nakashima and McDermott.

SCRep. 1278-14 Public Safety on H.R. No. 102

The purpose of this measure is to collaboratively address the problem of graffiti in the State by requesting the Department of Public Safety to convene an anti-graffiti task force to develop recommendations that address education and prevention, enforcement, community involvement, legislation, and graffiti removal.

The Department of Public Safety and a concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Attorney General, or the Attorney General's designee, shall convene and chair the task force rather than the Director of Public Safety, and that the Director of Public Safety shall be a member of the task force;
- (2) Clarifying that the Attorney General rather than the Department of Public Safety shall author the report to be submitted to the Legislature; and
- (3) Making technical, nonsubstantive amendments for the purposes of consistency and accuracy, which include amending its title to read: "REQUESTING THE STATE ATTORNEY GENERAL TO CONVENE AN ANTI-GRAFFITI TASK FORCE TO DEVELOP RECOMMENDATIONS THAT ADDRESS EDUCATION AND PREVENTION, ENFORCEMENT, COMMUNITY INVOLVEMENT, LEGISLATION, AND GRAFFITI REMOVAL."

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 102, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 102, H.D. 1.

Signed by all members of the Committee except Representatives Har, Nakashima and McDermott.

SCRep. 1279-14 Public Safety on H.C.R. No. 144

The purpose of this measure is to collaboratively address the problem of graffiti in the State by requesting the Department of Public Safety to convene an anti-graffiti task force to develop recommendations that address education and prevention, enforcement, community involvement, legislation, and graffiti removal.

The Department of Public Safety and a concerned individual supported this measure.

Your Committee has amended this measure by:

- (1) Specifying that the Attorney General, or the Attorney General's designee, shall convene and chair the task force rather than the Director of Public Safety, and that the Director of Public Safety shall be a member of the task force;
- (2) Clarifying that the Attorney General rather than the Department of Public Safety shall author the report to be submitted to the Legislature; and
- (3) Making technical, nonsubstantive amendments for the purposes of consistency and accuracy, which include amending its title to read: "REQUESTING THE STATE ATTORNEY GENERAL TO CONVENE AN ANTI-GRAFFITI TASK FORCE TO DEVELOP RECOMMENDATIONS THAT ADDRESS EDUCATION AND PREVENTION, ENFORCEMENT, COMMUNITY INVOLVEMENT, LEGISLATION, AND GRAFFITI REMOVAL."

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 144, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 144, H.D. 1.

Signed by all members of the Committee except Representatives Har, Nakashima and McDermott.

SCRep. 1280-14 Public Safety on H.C.R. No. 134

The purpose of this measure is to address the current correctional needs of the State by encouraging the Department of Public Safety to enter into a public-private partnership agreement for the planning, design, construction, turnkey, and financing of expanded, renovated, or new correctional facilities statewide.

The Department of Public Safety, Department of the Attorney General, Department of Budget and Finance, Department of Land and Natural Resources, and the Department of the Prosecuting Attorney of the City and County of Honolulu supported this measure. Community Alliance on Prisons,

Malu Aina, Ohana Hoopakele, and several concerned individuals opposed this measure. The Department of Accounting and General Services and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO offered comments on this measure.

Your Committee has amended this measure by:

- (1) Requesting the provision of opportunity for public and community input regarding the correctional facilities projects proposed and their locations; and
- (2) Expressing the Legislature's support of the Department of Public Safety's intention that the correctional facilities proposed be operated and managed by the State, and not private companies.

Your Committee believes that this measure warrants further discussion as it advances through the legislative process. Your Committee also recognizes that the enactment of legislation may be necessary to advance the Department of Public Safety's private-partnership agreement regarding correctional facilities. Moreover, your Committee notes that while this measure offers one strategy for addressing the State's correctional concerns, the State should explore and develop additional strategies to address correctional capacity and service needs. This includes exploring safe and cost-efficient options to reduce the inmate population.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 134, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 134, H.D. 1.

Signed by all members of the Committee except Representatives Har, Nakashima and McDermott.

SCRep. 1281-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 178

The purpose of this measure is to:

- (1) Include Hawaiian Nationals, defined by citizenship or subjectship in the Hawaiian Kingdom, as a population residing in the Hawaiian Islands; and
- (2) Resolve that the Hawaiian Nationals are an authentic body politic, having the right to organize and restore their national government of, by, and for the people of the Hawaiian Islands.

The Committee on Hawaiian Nationals, Association of Hawaiian Civic Clubs, and a few individuals provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies and a few individuals provided testimony in opposition to this measure. The Office of Hawaiian Affairs and a few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 178 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1282-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 226

The purpose of this measure is to:

- (1) Include Hawaiian Nationals, defined by citizenship or subjectship in the Hawaiian Kingdom, as a population residing in the Hawaiian Islands; and
- (2) Resolve that the Hawaiian Nationals are an authentic body politic, having the right to organize and restore their national government of, by, and for the people of the Hawaiian Islands.

The Committee on Hawaiian Nationals, Association of Hawaiian Civic Clubs, and a few individuals provided testimony in support of this measure. The Center for Hawaiian Sovereignty Studies and a few individuals provided testimony in opposition to this measure. The Office of Hawaiian Affairs and a few individuals provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 226 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1283-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 86

The purpose of this measure is to request the Department of Land and Natural Resources to submit a report to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015 on the status of each marine life conservation district in the State, including:

- (1) An evaluation of whether the marine life conservation program is achieving its intended purpose, both as a whole and with respect to each marine life conservation district;
- (2) A determination of whether any of the marine life conservation districts should be modified, and if so, how; and

- (3) An explanation of why past reports regarding the marine life conservation districts have not been submitted to the Legislature.

The Department of Land and Natural Resources, The Nature Conservancy, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 86 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1284-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 120

The purpose of this measure is to request the Department of Land and Natural Resources to submit a report to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015 on the status of each marine life conservation district in the State, including:

- (1) An evaluation of whether the marine life conservation program is achieving its intended purpose, both as a whole and with respect to each marine life conservation district;
- (2) A determination of whether any of the marine life conservation districts should be modified, and if so, how; and
- (3) An explanation of why past reports regarding the marine life conservation districts have not been submitted to the Legislature.

The Department of Land and Natural Resources, The Nature Conservancy, and an individual provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 120 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1285-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 59

The purpose of this measure is to urge the State and state entities to support the Hokule'a and her crew as they journey around the world, visiting 26 countries and 85 ports, to raise awareness of the importance of ocean protection for the survival of life on Earth.

The Association of Hawaiian Civic Clubs, Hawaii Association of Independent Schools, and an individual provided testimony in support of this measure. An individual provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 59 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee.

SCRep. 1286-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 84

The purpose of this measure is to urge the State and state entities to support the Hokule'a and her crew as they journey around the world, visiting 26 countries and 85 ports, to raise awareness of the importance of ocean protection for the survival of life on Earth.

The Association of Hawaiian Civic Clubs, Hawaii Association of Independent Schools, and an individual provided testimony in support of this measure. An individual provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 84 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee.

SCRep. 1287-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 112

The purpose of this measure is to urge the Department of Hawaiian Home Lands to submit a report to the Legislature regarding its policy to develop rental properties for occupancy by its beneficiaries and ensure that beneficiaries retain their placement on the waitlist for homestead leases while residing in a department rental.

The Association of Hawaiian Civic Clubs provided testimony in support of this measure. The Department of Hawaiian Home Lands provided comments.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 112 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1288-14 Ocean, Marine Resources, & Hawaiian Affairs on H.R. No. 116

The purpose of this measure is to urge the Office of Hawaiian Affairs to collaborate with the Department of Business, Economic Development, and Tourism to create economic development initiatives for the perpetuation and use of Native Hawaiian plants and resources.

The Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; and Association of Hawaiian Civic Clubs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Urging the Department of Agriculture, rather than the Office of Hawaiian Affairs, to collaborate with the Department of Business, Economic Development, and Tourism, and accordingly amending the title to read: "URGING THE DEPARTMENT OF AGRICULTURE TO COLLABORATE WITH THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CREATE ECONOMIC DEVELOPMENT INITIATIVES FOR THE PERPETUATION AND USE OF NATIVE HAWAIIAN PLANTS AND RESOURCES";
- (2) Requesting the Department of Agriculture to submit a report to the Legislature, no later than 20 days prior to the convening of the Regular Session of 2015, on the progress made concerning the establishment of economic development initiatives created to perpetuate and use Native Hawaiian plants and resources; and
- (3) Transmitting a certified copy of this measure to the Chairperson of the Board of Agriculture, rather than the Chief Executive Officer and the Chair of the Board of Trustees of the Office of Hawaiian Affairs.

Your Committee urges the Department of Agriculture to consult with the College of Tropical Agriculture and Human Resources of the University of Hawaii and Hawaii Farm Bureau Federation in addition to working with the Department of Business, Economic Development, and Tourism in developing initiatives for the perpetuation and use of Native Hawaiian plants and resources.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 116, as amended herein, and recommends that it be referred to the Committee on Economic Development & Business in the form attached hereto as H.R. No. 116, H.D. 1.

Signed by all members of the Committee.

SCRep. 1289-14 Ocean, Marine Resources, & Hawaiian Affairs on H.C.R. No. 155

The purpose of this measure is to urge the Office of Hawaiian Affairs to collaborate with the Department of Business, Economic Development, and Tourism to create economic development initiatives for the perpetuation and use of Native Hawaiian plants and resources.

The Department of Business, Economic Development, and Tourism; Office of Hawaiian Affairs; and Association of Hawaiian Civic Clubs provided comments on this measure.

Your Committee has amended this measure by:

- (1) Urging the Department of Agriculture, rather than the Office of Hawaiian Affairs, to collaborate with the Department of Business, Economic Development, and Tourism, and accordingly amending the title to read: "URGING THE DEPARTMENT OF AGRICULTURE TO COLLABORATE WITH THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CREATE ECONOMIC DEVELOPMENT INITIATIVES FOR THE PERPETUATION AND USE OF NATIVE HAWAIIAN PLANTS AND RESOURCES";
- (2) Requesting the Department of Agriculture to submit a report to the Legislature, no later than 20 days prior to the convening of the Regular Session of 2015, on the progress made concerning the establishment of economic development initiatives created to perpetuate and use Native Hawaiian plants and resources; and
- (3) Transmitting a certified copy of this measure to the Chairperson of the Board of Agriculture, rather than the Chief Executive Officer and the Chair of the Board of Trustees of the Office of Hawaiian Affairs.

Your Committee urges the Department of Agriculture to consult with the College of Tropical Agriculture and Human Resources of the University of Hawaii and Hawaii Farm Bureau Federation in addition to working with the Department of Business, Economic Development, and Tourism in developing initiatives for the perpetuation and use of Native Hawaiian plants and resources.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 155, as amended herein, and recommends that it be referred to the Committee on Economic Development & Business in the form attached hereto as H.C.R. No. 155, H.D. 1.

Signed by all members of the Committee.

SCRep. 1290-14 Energy & Environmental Protection/Water & Land on H.R. No. 77

The purpose of this measure is to:

- (1) Legislatively endorse clean energy, sustainability, resource management, and other goals of the Aloha+ Challenge; and

- (2) Request the Hawaii Sustainability Coordinator to submit a report to the Legislature regarding the launch and progress of the Aloha+ Challenge.

The Office of Planning; Department of Land and Natural Resources; Department of Health; Department of Agriculture; Office of Hawaiian Affairs; State Sustainability Coordinator; Nature Conservancy; Hawaii Energy Policy Forum; Sustainability Partners; Inc.; Ulupono Initiative; National Tropical Botanical Garden; Hawaii Green Growth; Conservation International – Hawaii Fish Trust; Hudnut LED Lighting; and numerous individuals testified in support of this measure. The Department of Business, Economic Development and Tourism and an individual provided comments.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 77 and recommend that it be referred to the Committees on Economic Development & Business and Agriculture.

Signed by all members of the Committee except Representative and Nishimoto.

SCRep. 1291-14 Energy & Environmental Protection/Water & Land on H.C.R. No. 104

The purpose of this measure is to:

- (1) Legislatively endorse clean energy, sustainability, resource management, and other goals of the Aloha+ Challenge; and
- (2) Request the Hawaii Sustainability Coordinator to submit a report to the Legislature regarding the launch and progress of the Aloha+ Challenge.

The Office of Planning; Department of Land and Natural Resources; Department of Health; Department of Agriculture; Office of Hawaiian Affairs; State Department of Defense; State Sustainability Coordinator; Nature Conservancy; Hawaii Energy Policy Forum; Sustainability Partners; Inc.; Ulupono Initiative; National Tropical Botanical Garden; Hawaii Green Growth; Enterprise Honolulu; Hawaii Island School Garden Network - Kohala Center; and numerous individuals testified in support of this measure. The Department of Business, Economic Development and Tourism and an individual provided comments.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 104 and recommend that it be referred to the Committees on Economic Development & Business and Agriculture.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1292-14 Energy & Environmental Protection on H.C.R. No. 207

The purpose of this measure is to request the Auditor to conduct an audit of the Department of Health's Advance Disposal Fee Program and the Environmental Management Special Fund to determine whether changes to the fee are warranted and whether there are more cost-effective ways of handling recyclable glass.

The Hawaii Food Industry Association; Wine Institute; and Hawaii Liquor Wholesalers Association testified in support of this measure. The Department of Health commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the audit of the Environmental Management Special Fund;
- (2) Amending its title to read: "REQUESTING AN EXAMINATION AND AUDIT OF THE ADVANCE DISPOSAL FEE PROGRAM"; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 207, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 207, H.D. 1.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1293-14 Agriculture on H.C.R. No. 54

The purpose of this measure is to reduce the population of feral chickens that create a noise nuisance, potentially threaten native birds, and cause other destructive and unsanitary conditions by requesting the Department of Agriculture to obtain federal approval for and use OvoControl bait, shown to be effective on feral pigeons, on the feral chicken population that should prevent the hatching of feral chicken eggs.

The Hawaiian Humane Society and Wild Bird Rehab Haven supported this measure. The Humane Society of the United States supported this measure with amendments. A concerned individual opposed this measure. The Department of Agriculture provided comments.

Your Committee notes that the Department of Agriculture has a number of concerns regarding the use of OvoControl bait on the feral chicken population, including the time and costs involved in obtaining federal approval and its impact on non-target species. Accordingly, your Committee requests

that the Department recommend specific options and changes to control the feral chicken population to the Committees on Energy & Environmental Protection and Water & Land should they deliberate on this measure.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 54 and recommends that it be referred to the Committees on Energy & Environmental Protection and Water & Land.

Signed by all members of the Committee except Representative Ward.

SCRep. 1294-14 Agriculture on H.C.R. No. 47

The purpose of this measure is to show that the legislature stands in support of preventing the spread of *Puccinia psidii* (rust fungus) to 'ōhi'a trees thus preventing devastation of our 'ōhi'a forests and the ruin of watershed health and biodiversity. This Resolution will assist in bringing public awareness to the rust fungus issue, prepare business for the ban on the *Myrtaceae* family plants, and send a message to the United States Department of Agriculture demonstrating the legislative intent to support efforts to prevent *Puccinia psidii* from being imported and spread in Hawaii.

The legislature requests that Hawaii Department of Agriculture adopt administrative rules restricting the import of *Myrtaceae* family plants. The measure also requests that the United States Department of Agriculture act upon an existing request from the Department of Land and Natural Resources to classify imports of *Myrtaceae* species as Not Authorized Pending Pest Risk Analysis.

Hawaii Department of Agriculture, Department of Land and Natural Resources, The Nature Conservancy, Hawaii Farm Bureau Federation, Coordinating Group on Alien Pest Species, Hawaii Wildlife Fund, Office of Hawaiian Affairs and concerned individuals supported this concurrent resolution.

House Resolution 181 HD1 was passed out of the Committee on Agriculture last session to highlight the current biological, social and economic risks caused by the existing federal pre-emption of state laws, thus making it a very difficult and long process for Hawaii (or any other state) to stop the import of a plant which is spreading disease. This Resolution, HCR47, goes further and specifies that the legislature supports the prevention of the spread of *Puccinia psidii*, rust fungus, and the banning of *Myrtaceae* family plants imports.

Your Committee notes that an economic analysis of the effects of this rust fungus versus banning imports of *Myrtaceae* family plants was completed by the University of Hawaii Economic Research Organization in 2012. The study found that benefits of the proposed import policy largely outweigh the costs, even when potential damages to native 'ōhi'a forest are not directly accounted for. The benefit of banning imports of *Myrtaceae* family plant was estimated at \$14.3 million dollars. In addition the study estimated that the ecosystem benefits, such as recharging the aquifers, provided by the state's watersheds, which are comprised largely of 'ōhi'a forests, are upwards of \$7 billion dollars.

Your Committee notes that it is critically important to address invasive species as quickly and as early as possible. Your Committee respectfully requests that the next Committee determine whether any additional language or better methods can be crafted to address our response time to invasive species issues, particularly to promote communication from executive agencies to the legislature.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 47 and recommends that it be referred to the Committee on Water & Land.

Signed by all members of the Committee except Representative Ohno.

SCRep. 1295-14 Higher Education on H.R. No. 105

The purpose of this measure is to examine improving the governance of the University of Hawaii system by:

- (1) Requesting the University of Hawaii Board of Regents to study the feasibility of separating the University of Hawaii system among:
 - (A) The University of Hawaii at Manoa;
 - (B) The community colleges; and
 - (C) The University of Hawaii-West Oahu and the University of Hawaii at Hilo;
- (2) Strongly encouraging the University of Hawaii Board of Regents to retain the services of an independent educational expert to conduct the study; and
- (3) Requesting the University of Hawaii Board of Regents to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature at least 20 days prior to the convening of the Regular Session of 2015.

The General Contractors Association of Hawaii supported the measure. The University of Hawaii and a concerned individual opposed the measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 105 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1296-14 Higher Education on H.C.R. No. 147

The purpose of this measure is to examine improving the governance of the University of Hawaii system by:

- (1) Requesting the University of Hawaii Board of Regents to study the feasibility of separating the University of Hawaii system among:
 - (A) The University of Hawaii at Manoa;
 - (B) The community colleges; and
 - (C) The University of Hawaii-West Oahu and the University of Hawaii at Hilo;
- (2) Strongly encouraging the University of Hawaii Board of Regents to retain the services of an independent educational expert to conduct the study; and
- (3) Requesting the University of Hawaii Board of Regents to submit a report of its findings and recommendations, including any proposed legislation, to the Legislature at least 20 days prior to the convening of the Regular Session of 2015.

The General Contractors Association of Hawaii supported the measure. The University of Hawaii and a concerned individual opposed the measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 147 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Takai.

SCRep. 1297-14 Education on H.R. No. 25

The purpose of this measure is to increase the rate of voter participation by young people in Hawaii by requesting:

- (1) The Department of Education and Department of Human Services to assist with increasing voter registration among young adults;
- (2) The Department of Education to provide seniors at every public school with voter registration information prior to graduation;
- (3) The Department of Human Services to provide young adults in young adult voluntary foster care with information on voter registration; and
- (4) The Department of Human Services to provide informational literature about the voter-registration process to any young adult who inquires.

The Department of Education, Department of Human Services, and Hawaii Youth Services Network supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 25 and recommends that it be referred to the Committee on Human Services.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1298-14 Education on H.C.R. No. 43

The purpose of this measure is to increase the rate of voter participation by young people in Hawaii by requesting:

- (1) The Department of Education and Department of Human Services to assist with increasing voter registration among young adults;
- (2) The Department of Education to provide seniors at every public school with voter registration information prior to graduation;
- (3) The Department of Human Services to provide young adults in young adult voluntary foster care with information on voter registration; and
- (4) The Department of Human Services to provide informational literature about the voter-registration process to any young adult who inquires.

The Department of Education, Department of Human Services, Office of Elections, Hawaii Youth Services Network, and a concerned individual supported this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 43 and recommends that it be referred to the Committee on Human Services.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1299-14 Education on H.R. No. 52

The purpose of this measure is to support the establishment of mandatory kindergarten, as well as the provision of adequate funding by the State, to ensure that a kindergarten education is available to all five-year-old children.

The Executive Office on Early Learning, Department of Education, Hawaii P-20, Hawaii Association of Independent Schools, and Hui for Excellence in Education supported the measure. A concerned individual opposed the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 52 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1300-14 Education on H.C.R. No. 78

The purpose of this measure is to support the establishment of mandatory kindergarten, as well as the provision of adequate funding by the State, to ensure that a kindergarten education is available to all five-year-old children.

The Executive Office on Early Learning, Department of Education, Hawaii P-20, Hawaii Association of Independent Schools, and Hui for Excellence in Education supported the measure. A concerned individual opposed the measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 78 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1301-14 Education on H.R. No. 174

The purpose of this measure is to support early childhood education in Hawaii by requesting:

- (1) The Legislative Reference Bureau to study the cost of establishing public preschools under the Department of Education;
- (2) The Department of Education to cooperate with the Legislative Reference Bureau and to provide whatever information, assistance, and support that may be requested by the Bureau; and
- (3) The Legislative Reference Bureau to submit a report of its findings and recommendation to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The Executive Office on Early Learning supported this measure. Good Beginnings Alliance supported this measure with amendments. A concerned individual opposed this measure. The Department of Education, Legislative Reference Bureau, and Hawaii Association of Independent Schools provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 174 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1302-14 Education on H.C.R. No. 222

The purpose of this measure is to support early childhood education in Hawaii by requesting:

- (1) The Legislative Reference Bureau to study the cost of establishing public preschools under the Department of Education;
- (2) The Department of Education to cooperate with the Legislative Reference Bureau and to provide whatever information, assistance, and support that may be requested by the Bureau; and
- (3) The Legislative Reference Bureau to submit a report of its findings and recommendation to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The Executive Office on Early Learning supported this measure. Good Beginnings Alliance supported this measure with amendments. A concerned individual opposed this measure. The Department of Education, Legislative Reference Bureau, and Hawaii Association of Independent Schools provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 222 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1303-14 Education on H.R. No. 56

The purpose of this measure is to request the Board of Education to provide greater transparency in the conduct of its meetings, the way in which it notifies the public of its meetings, and the way in which testimony is submitted at its meetings.

Furthermore, the following approaches were recommended as a way for the Board to increase the transparency of its operations:

- (1) Publishing the email addresses of Board members and making them available to the public;
- (2) Ensuring greater public input by holding public meetings after regular work hours or on weekends, when possible, to accommodate concerned individuals who may not be available to attend such meetings held earlier during the day;
- (3) Holding its general business meetings in each county of the State at least once a year; and
- (4) Publishing more detailed and specific agenda items, as well as an email address of an appropriate contact person to ensure clarity and transparency.

The Hawaii State Teachers Association and several concerned individuals supported this measure. The Board of Education provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 56 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Ichiyama and Takai.

SCRep. 1304-14 Education on H.C.R. No. 82

The purpose of this measure is to request the Board of Education to provide greater transparency in the conduct of its meetings, the way in which it notifies the public of its meetings, and the way in which testimony is submitted at its meetings.

Furthermore, the following approaches were recommended as a way for the Board to increase the transparency of its operations:

- (1) Publishing the email addresses of Board members and making them available to the public;
- (2) Ensuring greater public input by holding public meetings after regular work hours or on weekends, when possible, to accommodate concerned individuals who may not be available to attend such meetings held earlier during the day;
- (3) Holding its general business meetings in each county of the State at least once a year; and
- (4) Publishing more detailed and specific agenda items, as well as an email address of an appropriate contact person to ensure clarity and transparency.

The Hawaii State Teachers Association, League of Women Voters of Hawaii, and several concerned individuals supported this measure. The Board of Education provided comments.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 82 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Ichiyama and Takai.

SCRep. 1305-14 Health on H.R. No. 159

The purpose of this measure is to address the rising health problem of sepsis in the State by requesting the Director of Health to convene a working group to recommend ways to reduce incidents of sepsis and sepsis deaths in the State.

Hawaii Healthcare Association commented on this measure.

Your Committee has amended this measure by:

- (1) Broadening the areas that the working group is being requested to consider; and
- (2) Deleting the provision specifying that the Director of Health serve as the chair of the working group and the provision establishing the members of the working group; to give greater latitude to the Director of Health in convening this working group and the working group in making recommendations. Technical, nonsubstantive amendments were made for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 159, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 159, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1306-14 Health on H.C.R. No. 202

The purpose of this measure is to address the rising health problem of sepsis in the State by requesting the Director of Health to convene a working group to recommend ways to reduce incidents of sepsis and sepsis deaths in the State.

The Queen's Medical Center supported this measure. Hawaii Healthcare Association commented on this measure.

Your Committee has amended this measure by:

- (1) Broadening the areas that the working group is being requested to consider; and
- (2) Deleting the provision specifying that the Director of Health serve as the chair of the working group and the provision establishing the members of the working group; to give greater latitude to the Director of Health in convening this working group and the working group in making recommendations. Technical, nonsubstantive amendments were made for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 202, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 202, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1307-14 Consumer Protection & Commerce/Judiciary on H.R. No. 154

The purpose of this measure is to, among other things, reduce recovery time for stolen property, allow law enforcement officials to inspect and track transactions in a timelier manner, and aid in the recovery of stolen property by requesting the Director of Commerce and Consumer Affairs to convene a working group to examine the feasibility of establishing a unified statewide electronic reporting system for pawnshops.

An individual provided testimony in support of this measure. The State Procurement Office provided testimony in opposition to this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committees have amended this measure by:

- (1) Allowing the designee of the Director of Commerce and Consumer Affairs to serve as the chairperson of the working group;
- (2) Including a member from the Office of Information Management and Technology on the working group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 154, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 154, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1308-14 Consumer Protection & Commerce/Judiciary on H.C.R. No. 194

The purpose of this measure is to, among other things, reduce recovery time for stolen property, allow law enforcement officials to inspect and track transactions in a timelier manner, and aid in the recovery of stolen property by requesting the Director of Commerce and Consumer Affairs to convene a working group to examine the feasibility of establishing a unified statewide electronic reporting system for pawnshops.

An individual provided testimony in support of this measure. The State Procurement Office provided testimony in opposition to this measure. The Department of Commerce and Consumer Affairs provided comments on this measure.

Your Committees have amended this measure by:

- (1) Allowing the designee of the Director of Commerce and Consumer Affairs to serve as the chairperson of the working group;
- (2) Including a member from the Office of Information Management and Technology on the working group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 194, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 194, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1309-14 Human Services on H.R. No. 75

The purpose of this measure is to recognize the efforts of non-governmental organizations that assist in finding opportunities and solutions to

address homelessness in Hawaii by providing meals, training, jobs, and other services to those in need.

Hawaii Youth Services Network and a concerned individual supported this measure.

Your Committee respectfully encourages further discussion on this measure as it proceeds through the legislative process, should your Committee on Finance choose to hear this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 75 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1310-14 Human Services on H.C.R. No. 101

The purpose of this measure is to recognize the efforts of non-governmental organizations that assist in finding opportunities and solutions to address homelessness in Hawaii by providing meals, training, jobs, and other services to those in need.

Hawaii Youth Services Network and a concerned individual supported this measure.

Your Committee respectfully encourages further discussion on this measure as it proceeds through the legislative process, should your Committee on Finance choose to hear this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 101 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1311-14 Human Services on H.R. No. 15

The purpose of this measure is to reduce the emotional damage suffered by female inmates who are victims of sexual abuse in prison by requesting the Department of Public Safety to conduct a study examining the correlation between sexual abuse and post-traumatic stress disorder within the female inmate population.

A few concerned individuals supported this measure. The Department of Public Safety supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Requesting that the University of Hawaii conduct the study, rather than the Department of Public Safety; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style, including amending its title to read: "HOUSE RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO STUDY THE CORRELATION BETWEEN SEXUAL ABUSE AND POST-TRAUMATIC STRESS DISORDER WITHIN THE STATE'S FEMALE PRISON POPULATION."

Your Committee received testimony on this matter reflecting concern that the subject matter of the report was too narrow, as men who have experienced sexual abuse in prison exhibit similar symptoms. Should your Committee on Finance choose to hear this measure, your Committee encourages further discussion of this consideration as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 15, as amended herein, and recommends that it be referred to the Committee on Public Safety in the form attached hereto as H.R. No. 15, H.D. 1.

Signed by all members of the Committee.

SCRep. 1312-14 Human Services on H.C.R. No. 59

The purpose of this measure is to reduce the emotional damage suffered by female inmates who are victims of sexual abuse in prison by requesting the Department of Public Safety to conduct a study examining the correlation between sexual abuse and post-traumatic stress disorder within the female inmate population.

A few concerned individuals supported this measure. The Department of Public Safety supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Requesting that the University of Hawaii conduct the study, rather than the Department of Public Safety; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style, including amending its title to read: "HOUSE CONCURRENT RESOLUTION REQUESTING THE UNIVERSITY OF HAWAII TO STUDY THE CORRELATION BETWEEN SEXUAL ABUSE AND POST-TRAUMATIC STRESS DISORDER WITHIN THE STATE'S FEMALE PRISON POPULATION."

Your Committee received testimony on this matter reflecting concern that the subject matter of the report was too narrow, as men who have experienced sexual abuse in prison exhibit similar symptoms. Should your Committee on Finance choose to hear this measure, your Committee encourages further discussion of this consideration as this measure moves through the legislative process.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 59, as amended herein, and recommends that it be referred to the Committee on Public Safety in the form attached hereto as H.C.R. No. 59, H.D. 1.

Signed by all members of the Committee.

SCRep. 1313-14 Human Services on H.R. No. 193

The purpose of this measure is to address the needs of the elderly living in remote areas of the State by requesting the Executive Office on Aging to create an inventory of the elderly services available on the islands of Molokai and Lanai, and in the area of East Maui.

Lana'i Changes and a concerned individual supported this measure. The Executive Office on Aging supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 193 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1314-14 Human Services on H.C.R. No. 244

The purpose of this measure is to address the needs of the elderly living in remote areas of the State by requesting the Executive Office on Aging to create an inventory of the elderly services available on the islands of Molokai and Lanai, and in the area of East Maui.

Lana'i Changes and a concerned individual supported this measure. The Executive Office on Aging supported the intent of this measure.

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

Signed by all members of the Committee.

SCRep. 1315-14 Human Services on H.R. No. 166

The purpose of this measure is to address the rapidly growing income inequality in Hawaii by requesting the Department of Business, Economic Development, and Tourism to convene a task force addressing this inequality and submit a report to the Legislature prior to the Regular Session of 2015.

Hawai'i Appleseed Center for Law and Economic Justice testified in support of this measure.

Your Committee notes that very little testimony was received on this measure and that no one was present at the hearing to answer questions. Should your Committee on Finance choose to hear this measure, your Committee encourages further discussion of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 166 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1316-14 Human Services on H.C.R. No. 211

The purpose of this measure is to address the rapidly growing income inequality in Hawaii by requesting the Department of Business, Economic Development, and Tourism to convene a task force addressing this inequality and submit a report to the Legislature prior to the Regular Session of 2015.

Hawai'i Appleseed Center for Law and Economic Justice testified in support of this measure.

Your Committee notes that very little testimony was received on this measure and that no one was present at the hearing to answer questions. Should your Committee on Finance choose to hear this measure, your Committee encourages further discussion of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 211 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee.

SCRep. 1317-14 Human Services on H.C.R. No. 31

The purpose of this measure is to protect the health and safety of vulnerable elderly individuals by requesting the Department of Human Services to conduct a study of the best management practices in adult care homes.

The Department of Human Services opposed this measure.

Your Committee received testimony expressing concern that because the Department of Health and not the Department of Human Services is responsible for licensing adult foster homes, the request for the Department of Human Services to conduct this report is misplaced. Accordingly, your Committee has amended this measure by:

- (1) Requesting that the Department of Health conduct this study instead of the Department of Human Services; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style, including changing its title to read: "HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HEALTH TO CONDUCT A STUDY OF THE BEST MANAGEMENT PRACTICES IN ADULT CARE HOMES."

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 31, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 31, H.D. 1.

Signed by all members of the Committee except Representative Creagan.

SCRep. 1318-14 Human Services on H.R. No. 126

The purpose of this measure is to begin planning and making preparations for the growing need for services for the elderly by requesting the University of Hawaii and Department of Labor and Industrial Relations to conduct a review, by county, of the State's anticipated workforce needs for elder care partners over the next decade.

The Policy Advisory Board for Elder Affairs and two concerned individuals supported this measure. The Executive Office on Aging supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 126 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1319-14 Human Services on H.C.R. No. 166

The purpose of this measure is to begin planning and making preparations for the growing need for services for the elderly by requesting the University of Hawaii and Department of Labor and Industrial Relations to conduct a review, by county, of the State's anticipated workforce needs for elder care partners over the next decade.

The Policy Advisory Board for Elder Affairs and two concerned individuals supported this measure. The Executive Office on Aging supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 166 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1320-14 Agriculture/Economic Development & Business on H.C.R. No. 92

The purpose of this measure is to support and promote the first annual Localicious Hawaii campaign in March 2014 that recognizes local restaurants that are committed to buying local while raising funds to support future farmers in Hawaii by declaring March to be "Localicious Hawaii Month".

The Department of Agriculture, Hawaii Farm Bureau Federation, Maui County Farm Bureau, Hawaii Agricultural Foundation, and a concerned individual supported this concurrent resolution.

As affirmed by the records of votes of the members of your Committees on Agriculture and Economic Development & Business that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 92 and recommend that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee except Representatives Brower, Cachola, Choy, Ito and Matsumoto.

SCRep. 1321-14 Agriculture on H.C.R. No. 243

The purpose of this measure is to address the drought conditions on Molokai that have a severe impact on Molokai farmers by urging the Department of Agriculture (DOA) to prepare a coordinated plan for the prudent management of water supplies on Molokai during drought conditions and to pursue improvements that Hawaiian homestead farmers and other water users have requested for the Molokai Irrigation System.

Two concerned individuals supported this concurrent resolution. The Hawaii Farm Bureau Federation supported this measure with amendments. DOA provided comments.

Your Committee finds that the Department of Agriculture (DOA) is currently undertaking the completion of a statewide Agricultural Water Use and Development Plan, as required by the Water Code. Your Committee finds that due to DOA's limited staff resources, it is prudent that the Department focus on its current, statutorily mandated activities and not undertake additional, duplicative measures. Accordingly, your Committee has amended this measure by:

- (1) Amending its title to read: "URGING THE DEPARTMENT OF AGRICULTURE TO SPECIFICALLY ADDRESS THE REQUEST BY HAWAIIAN HOMESTEAD FARMERS AND OTHER USERS RELATING TO THE MOLOKAI IRRIGATION SYSTEM IN THE DEPARTMENT'S AGRICULTURAL WATER USE AND DEVELOPMENT PLAN.";
- (2) Urging DOA to specifically address the improvements to the Molokai Irrigation System requested by Hawaiian homestead farmers and other water users in its Agricultural Water Use and Development Plan;
- (3) Amending the contents of the requested report from DOA to reflect the amended contents of this measure; and
- (4) Making technical, nonsubstantive amendments for style, consistency, and clarity.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 243, as amended herein, and recommends that it be referred to the Committee on Water & Land in the form attached hereto as H.C.R. No. 243, H.D. 1.

Signed by all members of the Committee except Representative Ohno.

SCRep. 1322-14 Health on H.R. No. 29

The purpose of this measure is to request the Department of Health to convene a task force to develop recommendations for the establishment of a regulated statewide dispensary system for medical marijuana to provide safe and legal access for qualified patients to medical marijuana.

The Department of Public Safety, Big Island Chapter of Americans for Safe Access, and three individuals supported this measure. The Community Alliance on Prisons supported this measure with an amendment. The Department of Health supported the intent of this measure.

Your Committee has amended this measure by:

- (1) Requesting the Public Policy Center in the College of Social Sciences at the University of Hawaii at Manoa (Public Policy Center), rather than the Department of Health, to convene the Medical Marijuana Dispensary System Task Force (Task Force);
- (2) Assigning the Task Force to the Public Policy Center;
- (3) Adding the following individuals or organizations to the Task Force membership:
 - (A) The Director of Taxation, or the Director's designee;
 - (B) The Director of Commerce and Consumer Affairs, or the Director's designee;
 - (C) The Director of the Public Policy Center, or the Director's designee;
 - (D) The Chairperson of the Senate Committee on Health;
 - (E) The Chairperson of the House Committee on Health;
 - (F) A state senator who is selected by the Senate President to serve on the Task Force;
 - (G) A state representative who is selected by the Speaker of the House of Representatives to serve on the Task Force;
 - (H) A representative of the Drug Policy Forum of Hawaii; and
 - (I) An additional patient participating in Hawaii's Medical Marijuana Program;
- (4) Specifying that of the two patients participating in Hawaii's Medical Marijuana Program and who serve on the Task Force, one patient serving on the Task Force is to be a patient who is over the age of eighteen, and the other patient serving on the Task Force is to be a parent or guardian of a patient who is under the age of ten;
- (5) Clarifying the scope of the 2009 report, "Access, Distribution, and Security Components of State Medical Marijuana Programs," by the Legislative Reference Bureau, to reflect the discussion of policies and procedures for access, distribution, security, and other relevant issues related to the medical use of marijuana in all states that had a medical marijuana program;
- (6) Specifying that the issues specified in the measure are to be addressed by the Task Force, and not by the Legislative Reference Bureau and considered by the Task Force;
- (7) Amending the submittal of information by the Legislative Reference Bureau to the Task Force by September 1, 2014, to specify submittal of an updated report on the policies and procedures for access, distribution, security, and other relevant issues related to the medical use of cannabis in all states that currently have a medical cannabis program;

- (8) Providing that, as part of its report, the Legislative Reference Bureau is requested to examine and include information concerning the policies and procedures adopted by other states relating to the growth and cultivation of medical marijuana and the regulation of medical marijuana dispensaries;
- (9) Clarifying that the Task Force hold at least one public hearing to receive public input on the report received from the Legislative Reference Bureau to the Task Force;
- (10) Adding the Director of Taxation, Director of Commerce and Consumer Affairs, Director of the Public Policy Center, and Executive Director of the Drug Policy Forum of Hawaii to the list of individuals receiving certified copies of this measure; and
- (11) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 29, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.R. No. 29, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1323-14 Health on H.C.R. No. 48

The purpose of this measure is to request the Department of Health to convene a task force to develop recommendations for the establishment of a regulated statewide dispensary system for medical marijuana to provide safe and legal access for qualified patients to medical marijuana.

The Department of Public Safety, Big Island Chapter of Americans for Safe Access, and several individuals supported this measure. The Community Alliance on Prisons supported this measure with an amendment. The Department of Health supported the intent of this measure. The Honolulu Police Department opposed this measure. The Legislative Reference Bureau and an individual commented on this measure.

Your Committee has amended this measure by:

- (1) Requesting the Public Policy Center in the College of Social Sciences at the University of Hawaii at Manoa (Public Policy Center), rather than the Department of Health, to convene the Medical Marijuana Dispensary System Task Force (Task Force);
- (2) Assigning the Task Force to the Public Policy Center;
- (3) Adding the following individuals or organizations to the Task Force membership:
 - (A) The Director of Taxation, or the Director's designee;
 - (B) The Director of Commerce and Consumer Affairs, or the Director's designee;
 - (C) The Director of the Public Policy Center, or the Director's designee;
 - (D) The Chairperson of the Senate Committee on Health;
 - (E) The Chairperson of the House Committee on Health;
 - (F) A state senator who is selected by the Senate President to serve on the Task Force;
 - (G) A state representative who is selected by the Speaker of the House of Representatives to serve on the Task Force;
 - (H) A representative of the Drug Policy Forum of Hawaii; and
 - (I) An additional patient participating in Hawaii's Medical Marijuana Program;
- (4) Specifying that of the two patients participating in Hawaii's Medical Marijuana Program and who serve on the Task Force, one patient serving on the Task Force is to be a patient who is over the age of eighteen, and the other patient serving on the Task Force is to be a parent or guardian of a patient who is under the age of ten;
- (5) Clarifying the scope of the 2009 report, "Access, Distribution, and Security Components of State Medical Marijuana Programs," by the Legislative Reference Bureau, to reflect the discussion of policies and procedures for access, distribution, security, and other relevant issues related to the medical use of marijuana in all states that had a medical marijuana program;
- (6) Specifying that the issues specified in the measure are to be addressed by the Task Force, and not by the Legislative Reference Bureau and considered by the Task Force;
- (7) Amending the submittal of information by the Legislative Reference Bureau to the Task Force by September 1, 2014, to specify submittal of an updated report on the policies and procedures for access, distribution, security, and other relevant issues related to the medical use of cannabis in all states that currently have a medical cannabis program;
- (8) Providing that, as part of its report, the Legislative Reference Bureau is requested to examine and include information concerning the policies and procedures adopted by other states relating to the growth and cultivation of medical marijuana and the regulation of medical marijuana dispensaries;

- (9) Clarifying that the Task Force hold at least one public hearing to receive public input on the report received from the Legislative Reference Bureau to the Task Force;
- (10) Adding the Director of Taxation, Director of Commerce and Consumer Affairs, Director of the Public Policy Center, and Executive Director of the Drug Policy Forum of Hawaii to the list of individuals receiving certified copies of this measure; and
- (11) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 48, as amended herein, and recommends that it be referred to the Committee on Judiciary in the form attached hereto as H.C.R. No. 48, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Jordan and Oshiro.

SCRep. 1324-14 Water & Land on H.R. No. 179

The purpose of this measure is to request that the Aha Moku Advisory Committee submit an itemized financial report to the Legislature covering fiscal years 2012-2013 and 2013-2014 including sources of funding, expenditures, projected expenditures, and operational costs.

The Aha Moku Advisory Committee and Department of Land and Natural Resources submitted testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 179 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Evans, Kawakami and Say.

SCRep. 1325-14 Water & Land on H.C.R. No. 228

The purpose of this measure is to support efforts to regulate the commercial harvesting of sandalwood by conducting a study of existing sandalwood stocks, available seed stocks, and areas suitable for sandalwood reforestation.

A concerned individual testified in support of this measure. The Department of Land and Natural Resources submitted comments on this measure.

Your Committee notes that while the Department of Land and Natural Resources supported the intent of this measure and agreed that a survey is needed, the Department also stated that it will cost approximately \$1,000,000 to carry out the survey and requested that adequate funds be made available.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 228 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Evans, Kawakami and Say.

SCRep. 1326-14 Tourism on H.R. No. 130

The purpose of this measure is to preserve jobs in the accommodations industry, maintain inventory at traditional resort hotels, and prevent the loss of tax revenues by urging the county councils to enact legislation that addresses the concerns associated with the conversion of Hawaii's traditional resort hotel rooms into condominiums, condominium hotels, timeshares, or individual vacation units.

UNITE HERE! Local 5, The Mestizo Association, and several concerned individuals supported this measure. The Hawaii Lodging and Tourism Association, Wyndham Vacation Ownership, and the American Resort Development Association opposed this measure.

Your Committee understands that the ownership and financing structure of Hawaii's hotels and resorts has changed drastically and the trend to convert traditional hotels into nontraditional lodging such as condominium hotels and timeshares has resulted in an overall loss of 3,250 jobs in the accommodations sector between 2006 and 2011 for a loss of \$34,000,000 each year in tax revenue.

Your Committee respectfully notes that many workers in the accommodations sector have expressed concern about losing their jobs due to this conversion trend.

The Legislature and the Honolulu City Council are simultaneously considering measures to address this trend and its impact on the State economy. The Hawaii Tourism Authority also plans to examine the impacts these conversions have on Hawaii.

Members of your Committee raised valid concerns and questions about the impact of this measure on county home rule, the pros and cons of traditional resort hotel lodging and nontraditional lodging and the importance of finding the appropriate balance between the two, the jurisdiction of certain departments to produce monthly reports on jobs and wages, and what the reporting frequency should be.

Your Committee believes that this measure warrants advancement in the legislative process for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 130 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana and Takai.
(Representative Ohno voted no.)

SCRep. 1327-14 Tourism on H.C.R. No. 171

The purpose of this measure is to preserve jobs in the accommodations industry, maintain inventory at traditional resort hotels, and prevent the loss of tax revenues by urging the county councils to enact legislation that addresses the concerns associated with the conversion of Hawaii's traditional resort hotel rooms into condominiums, condominium hotels, timeshares, or individual vacation units.

UNITE HERE! Local 5, The Mestizo Association, and several concerned individuals supported this measure. The Hawaii Lodging and Tourism Association, Wyndham Vacation Ownership, and the American Resort Development Association opposed this measure.

Your Committee understands that the ownership and financing structure of Hawaii's hotels and resorts has changed drastically and the trend to convert traditional hotels into nontraditional lodging such as condominium hotels and timeshares has resulted in an overall loss of 3,250 jobs in the accommodations sector between 2006 and 2011 for a loss of \$34,000,000 each year in tax revenue.

Your Committee respectfully notes that many workers in the accommodations sector have expressed concern about losing their jobs due to this conversion trend.

The Legislature and the Honolulu City Council are simultaneously considering measures to address this trend and its impact on the State economy. The Hawaii Tourism Authority also plans to examine the impacts these conversions have on Hawaii.

Members of your Committee raised valid concerns and questions about the impact of this measure on county home rule, the pros and cons of traditional resort hotel lodging and nontraditional lodging and the importance of finding the appropriate balance between the two, the jurisdiction of certain departments to produce monthly reports on jobs and wages, and what the reporting frequency should be.

Your Committee believes that this measure warrants advancement in the legislative process for the purposes of further discussion.

As affirmed by the record of votes of the members of your Committee on Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 171 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Awana and Takai.
(Representative Ohno voted no.)

SCRep. 1328-14 Water & Land on H.R. No. 61

The purpose of this measure is to assist in the formulation of effective control and eradication measures for invasive albizia trees that account for local conditions in the diverse areas where these trees are located by providing opportunities for participation to diverse stakeholders statewide.

The Department of Land and Natural Resources submitted comments on this measure.

Your Committee has amended this measure by deleting references to eradication of invasive albizia trees because total eradication of this species may not be possible and, therefore, its pursuit may not be an appropriate strategy.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 61, as amended herein, and recommends that it be referred to the Committee on Agriculture in the form attached hereto as H.R. No. 61, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1329-14 Water & Land on H.C.R. No. 86

The purpose of this measure is to assist in the formulation of effective control and eradication measures for invasive albizia trees that account for local conditions in the diverse areas where these trees are located by providing opportunities for participation to diverse stakeholders statewide.

The Department of Land and Natural Resources submitted comments on this measure.

Your Committee has amended this measure by deleting references to eradication of invasive albizia trees because total eradication of this species may not be possible and, therefore, its pursuit may not be an appropriate strategy.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 86, as amended herein, and recommends that it be referred to the Committee on Agriculture in the form attached hereto as H.C.R. No. 86, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1330-14 Water & Land on H.R. No. 71

The purpose of this measure is to request the Auditor to perform a financial and management audit of the Hawaii Community Development

Authority.

Kaka'ako United; Kaka'ako Makai Community Planning Advisory Council; and numerous concerned individuals testified in support of this measure. The Executive Director of the Hawaii Community Development Authority commented on this measure.

Your Committee has amended this measure by:

- (1) Limiting the scope of the audit to be performed from a financial and management audit of the Hawaii Community Development Authority to an audit of the Authority's method and process for determining impact on and adequacy of infrastructure facilities for development projects in a community development district and the role of the City and County of Honolulu in that determination;
- (2) Changing its title to read: "REQUESTING AN AUDIT OF THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY'S METHOD AND PROCESS FOR DETERMINING IMPACT ON AND ADEQUACY OF INFRASTRUCTURE FACILITIES FOR DEVELOPMENT PROJECTS IN A COMMUNITY DEVELOPMENT DISTRICT AND THE ROLE OF THE CITY AND COUNTY OF HONOLULU IN THAT DETERMINATION."; and
- (3) Directing that an additional certified copy of this measure be transmitted to the Director of Planning and Permitting of the City and County of Honolulu.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 71, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 71, H.D. 1.

Signed by all members of the Committee except Representatives Evans and Kawakami.

SCRep. 1331-14 Water & Land on H.C.R. No. 97

The purpose of this measure is to request the Auditor to perform a financial and management audit of the Hawaii Community Development Authority.

Kaka'ako United; Kaka'ako Makai Community Planning Advisory Council; and numerous concerned individuals testified in support of this measure. The Executive Director of the Hawaii Community Development Authority commented on this measure.

Your Committee has amended this measure by:

- (1) Limiting the scope of the audit to be performed from a financial and management audit of the Hawaii Community Development Authority to an audit of the Authority's method and process for determining impact on and adequacy of infrastructure facilities for development projects in a community development district and the role of the City and County of Honolulu in that determination;
- (2) Changing its title to read: "REQUESTING AN AUDIT OF THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY'S METHOD AND PROCESS FOR DETERMINING IMPACT ON AND ADEQUACY OF INFRASTRUCTURE FACILITIES FOR DEVELOPMENT PROJECTS IN A COMMUNITY DEVELOPMENT DISTRICT AND THE ROLE OF THE CITY AND COUNTY OF HONOLULU IN THAT DETERMINATION."; and
- (3) Directing that an additional certified copy of this measure be transmitted to the Director of Planning and Permitting of the City and County of Honolulu.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 97, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 97, H.D. 1.

Signed by all members of the Committee except Representatives Evans and Kawakami.

SCRep. 1332-14 Water & Land on H.R. No. 70

The purpose of this measure is to urge the Department of Land and Natural Resources to consider short term solutions to mitigate disturbances related to the Maunawili Falls hiking trail to residents of the surrounding communities, including stationing a security guard in the community and temporarily closing the trail either one day each week or for a longer sustained period, until a permanent plan to accommodate visitor vehicles is in place.

Maunawili Estates Community Association provided testimony in support of this measure. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by:

- (1) Deleting the closure of Maunawili Falls hiking trail for either one day per week or for a longer period as options to be considered; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 70, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1333-14 Water & Land on H.C.R. No. 96

The purpose of this measure is to urge the Department of Land and Natural Resources to consider short term solutions to mitigate disturbances related to the Maunawili Falls hiking trail to residents of the surrounding communities, including stationing a security guard in the community and temporarily closing the trail either one day each week or for a longer sustained period, until a permanent plan to accommodate visitor vehicles is in place.

Maunawili Estates Community Association provided testimony in support of this measure. The Department of Land and Natural Resources provided comments.

Your Committee has amended this measure by:

- (1) Deleting the closure of Maunawili Falls hiking trail for either one day per week or for a longer period as options to be considered; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 96, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 96, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1334-14 Water & Land on H.R. No. 46

The purpose of this measure as it was received by your Committee is to request the Department of Accounting and General Services, Department of Land and Natural Resources, and Department of Transportation to incorporate suitable native Hawaiian plant species into the landscaping associated with state buildings and facilities under each Department's respective jurisdiction.

For purposes of public hearing on this measure, your Committee posted notice of a proposed House Draft of this measure. Your Committee received testimony on both the original measure and the proposed House Draft at the public hearing.

The Big Island Invasive Species Committee submitted testimony in support of the original measure, as it was received by your Committee.

Puna Pono Alliance submitted testimony in support of the proposed House Draft of this measure.

After careful consideration, your Committee has amended this measure by accepting the proposed House Draft, which deletes the contents of the original measure and inserts new language that:

- (1) Amends the measure's title to read: "URGING THE DEPARTMENT OF HEALTH TO INCREASE AIR AND WATER QUALITY MONITORING EFFORTS RELATING TO GEOTHERMAL RESOURCE DEVELOPMENT";
- (2) Expresses concerns about the potential adverse health effects of geothermal resource development for surrounding communities and the limited monitoring of health and environmental effects currently in place;
- (3) Urges the Department of Health to increase air and water quality monitoring of geothermal facilities and to report to the Legislature on plans and progress toward implementing increased monitoring as well as the adequacy of current monitoring efforts; and
- (4) Directs that certified copies of this measure be distributed to the Director of Health and the Mayor and County Council Chair of the County of Hawai'i.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 46, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.R. No. 46, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Kawakami and Say.

SCRep. 1335-14 Water & Land on H.C.R. No. 67

The purpose of this measure as it was received by your Committee is to request the Department of Accounting and General Services, Department of Land and Natural Resources, and Department of Transportation to incorporate suitable native Hawaiian plant species into the landscaping associated with state buildings and facilities under each Department's respective jurisdiction.

For purposes of public hearing on this measure, your Committee posted notice of a proposed House Draft of this measure. Your Committee received testimony on both the original measure and the proposed House Draft at the public hearing.

The Big Island Invasive Species Committee submitted testimony in support of the original measure, as it was received by your Committee.

Puna Pono Alliance submitted testimony in support of the proposed House Draft of this measure.

After careful consideration, your Committee has amended this measure by accepting the proposed House Draft, which deletes the contents of the original measure and inserts new language that:

- (1) Amends the measure's title to read: "URGING THE DEPARTMENT OF HEALTH TO INCREASE AIR AND WATER QUALITY MONITORING EFFORTS RELATING TO GEOTHERMAL RESOURCE DEVELOPMENT";
- (2) Expresses concerns about the potential adverse health effects of geothermal resource development for surrounding communities and the limited monitoring of health and environmental effects currently in place;
- (3) Urges the Department of Health to increase air and water quality monitoring of geothermal facilities and to report to the Legislature on plans and progress toward implementing increased monitoring as well as the adequacy of current monitoring efforts; and
- (4) Directs that certified copies of this measure be distributed to the Director of Health and the Mayor and County Council Chair of the County of Hawai'i.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 67, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.C.R. No. 67, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Kawakami and Say.

SCRep. 1336-14 Water & Land on H.R. No. 81

The purpose of this measure is to address the development and implementation of future State telecommunication infrastructure by requesting the Director of Business, Economic Development, and Tourism to establish a working group to develop standard provisions to be included in contractual agreements for the use of state public lands for communication and telecommunication hardware devices.

The Department of Business, Economic Development, and Tourism provided comments on this measure.

Your Committee notes that, pursuant to the testimony of the Department of Business, Economic Development, and Tourism, additional funding may be necessary to carry out the establishment and functions of the working group.

Your Committee has amended this measure by:

- (1) Removing the Senate President and Speaker of the House of Representatives from the list of persons to whom certified copies of the resolution are to be transmitted; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 81, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.R. No. 81, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Kawakami and Say.

SCRep. 1337-14 Water & Land on H.C.R. No. 110

The purpose of this measure is to address the development and implementation of future State telecommunication infrastructure by requesting the Director of Business, Economic Development, and Tourism to establish a working group to develop standard provisions to be included in contractual agreements for the use of state public lands for communication and telecommunication hardware devices.

The Department of Business, Economic Development, and Tourism provided comments on this measure.

Your Committee notes that, pursuant to the testimony of the Department of Business, Economic Development, and Tourism, additional funding may be necessary to carry out the establishment and functions of the working group.

Your Committee has amended this measure by:

- (1) Removing the Senate President and Speaker of the House of Representatives from the list of persons to whom certified copies of the concurrent resolution are to be transmitted; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 110, as amended herein, and recommends that it be referred to the Committee on Consumer Protection & Commerce in the form attached hereto as H.C.R. No. 110, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Kawakami and Say.

SCRep. 1338-14 Judiciary/Consumer Protection & Commerce on H.R. No. 49

The purpose of this measure is to request that the Legislative Reference Bureau (LRB):

- (1) Compare the costs and methods of publicizing required legal notices of the states;
- (2) Examine alternative methods of publicizing required legal notices, including on television, radio, and the Internet;
- (3) Review cost-saving strategies concerning required legal notices;
- (4) Determine the most effective channels of media for publicizing required legal notices; and
- (5) Submit a report of the study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

LRB submitted testimony commenting on this measure.

Your Committees have amended this measure by:

- (1) Referring to advertising costs for publication rising since the merger of the two newspapers;
- (2) Clarifying that it has been reported that technology has allowed over 100 Pennsylvania newspapers to currently post their printed public notices on the Internet at no cost to the local government;
- (3) Deleting the requirement for LRB to review cost-saving strategies concerning required legal notices; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 49, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.R. No. 49, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Lee, Wooley and Yamane.

SCRep. 1339-14 Judiciary/Consumer Protection & Commerce on H.C.R. No. 72

The purpose of this measure is to request that the Legislative Reference Bureau (LRB):

- (1) Compare the costs and methods of publicizing required legal notices of the states;
- (2) Examine alternative methods of publicizing required legal notices, including on television, radio, and the Internet;
- (3) Review cost-saving strategies concerning required legal notices;
- (4) Determine the most effective channels of media for publicizing required legal notices; and
- (5) Submit a report of the study to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015.

LRB submitted testimony commenting on this measure.

Your Committees have amended this measure by:

- (1) Referring to advertising costs for publication rising since the merger of the two newspapers;
- (2) Clarifying that it has been reported that technology has allowed over 100 Pennsylvania newspapers to currently post their printed public notices on the Internet at no cost to the local government;
- (3) Deleting the requirement for LRB to review cost-saving strategies concerning required legal notices; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 72, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as H.C.R. No. 72, H.D. 1.

Signed by all members of the Committee except Representatives Ito, Lee, Wooley and Yamane.

SCRep. 1340-14 Education on S.B. No. 2136

The purpose of this measure is to clarify various provisions of Chapter 302A, Hawaii Revised Statutes, pertaining to education, including by adding new definitions for "attend", "attendance", "enroll", and "enrollment".

The Department of Education supported this bill.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2136, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hanohano and Takai.

SCRep. 1341-14 Education on S.B. No. 2137

The purpose of this measure is to clarify the maximum number of consecutive terms that members of the Board of Education can serve.

No testimony was received by your Committee for this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2137 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Awana, Hanohano and Takai.

SCRep. 1342-14 Judiciary on S.B. No. 2072

The purpose of this measure is to specify the manner of serving a summons within the State for a civil action.

The Department of Public Safety and Mortgage Bankers Association of Hawaii provided testimony in support of this measure. The Hawaii Bankers Association, Hawaii Financial Services Association, Hawaii Credit Union League, and the Collection Law Section of the Hawaii State Bar Association provided comments on this measure.

Your Committee has amended this measure by limiting its scope to actions of assumpsit.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2072, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2072, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kawakami and Wooley.

SCRep. 1343-14 Consumer Protection & Commerce on S.B. No. 2466

The purpose of this measure is to require licensed marriage and family therapists in Hawaii to complete a minimum of forty-five credit hours of continuing education courses during each licensing renewal triennium, beginning January 1, 2017.

The Department of Commerce and Consumer Affairs, the Hawaii Substance Abuse Coalition, and twelve individuals provided testimony in support of this measure.

Your Committee finds that Hawaii is one of only two states that does not require continuing education as part of its marriage and family therapist licensing laws. Requiring marriage and family therapists to complete a minimum of certain continuing education credit hours will ensure that marriage and family therapists maintain their professional competency and keep abreast of the latest developments in their profession.

Your Committee has amended this measure by changing the effective date to July 1, 2014.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2466, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2466, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Har, Ito, Oshiro and McDermott.

SCRep. 1344-14 Consumer Protection & Commerce on S.B. No. 2033

The purpose of this measure is to clarify that rules adopted by the Board of Dental Examiners shall be adopted pursuant to chapter 91, Hawaii Revised Statutes, the Hawaii Administrative Procedure Act.

Testimony in support of this measure was submitted by the Board of Dental Examiners.

Your Committee finds that this measure makes a technical nonsubstantive amendment to the rulemaking authority of the Board of Dental Examiners.

Your Committee has amended this measure by changing the effective date to July 1, 2014.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2033, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2033, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1345-14 Economic Development & Business/Tourism on H.C.R. No. 77

The purpose of this measure is to stimulate economic development and tourism, encourage increased growth of diversified agriculture, showcase Hawaii's incredible bounty of fresh, locally produced and unique foods, and promote Hawaii as a food destination by declaring the Hawaii Food and Wine

Festival the next agricultural and culinary movement in the State of Hawaii.

The Hawaii Ag and Culinary Alliance, Hawaii Farm Bureau, and Maui County Farm Bureau testified in support of this measure.

Started in 1991, the Hawaii regional cuisine movement has had a tremendous impact not only on the local culinary scene, but on the culinary world at large. The success of this movement has also placed Hawaii on the map when it comes to the culinary arts.

As a result, Hawaii's agricultural industry, a key component of the philosophy of the Hawaii regional cuisine movement to buy locally grown produce and support local farmers, has experienced noticeable growth and diversification.

Your Committees find that the Hawaii Food and Wine Festival, started in 2011 and built upon the Hawaii regional cuisine movement, has showcased Hawaii's incredible bounty of fresh fruits, vegetables, herbs, beef, eggs, fish, pork, coffee, honey, and other culinary delights. Supporting this festival and declaring it to be the next agricultural and culinary movement in Hawaii will further Hawaii's place in the culinary world and will positively impact Hawaii's agricultural and tourism industries and Hawaii's economy as a whole.

Your Committees have amended this measure by:

- (1) Expressing legislative support for the Hawaii Food and Wine Festival;
- (2) Including numerous other individuals to receive certified copies of this measure including the President of the United States, Majority Leader of the United States Senate, Speaker of the United States House of Representatives, United States Secretary of Agriculture, President and Chief Executive Officer of the Hawaii Tourism Authority, President of the Food Network and the Cooking Channel, and several other culinary and cooking organizations and institutions;
- (3) Amending its title to reflect its amended content and to read: "EXPRESSING LEGISLATIVE SUPPORT FOR DECLARING THE HAWAII FOOD AND WINE FESTIVAL THE NEXT AGRICULTURAL AND CULINARY MOVEMENT IN THE STATE OF HAWAII."; and
- (4) Making technical, nonsubstantive amendments for embellishment, clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Tourism that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 77, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 77, H.D. 1.

Signed by all members of the Committee except Representatives Ohno, Takai and Wooley.

SCRep. 1346-14 Economic Development & Business on H.R. No. 97

The purpose of this measure is to express legislative support for the outstanding work of the Pacific International Space Center for Exploration Systems (PISCES) as well as work towards reducing Hawaii's dependence on imported concrete by:

- (1) Commending and supporting PISCES' work in basaltic concrete and additive manufacturing, in collaboration with the National Aeronautics and Space Administration and various private industries; and
- (2) Requesting the State to collaborate with PISCES, county agencies, and private industries to explore opportunities for applications of basaltic concrete and additive manufacturing in Hawaii.

PISCES and two concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism testified in support of the intent of this measure. One concerned individual testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 97 and recommends its adoption.

Signed by all members of the Committee except Representatives Awana, Brower, Ohno, Tokioka and Wooley.

SCRep. 1347-14 Economic Development & Business on H.C.R. No. 133

The purpose of this measure is to express legislative support for the outstanding work of the Pacific International Space Center for Exploration Systems (PISCES) as well as work towards reducing Hawaii's dependence on imported concrete by:

- (1) Commending and supporting PISCES' work in basaltic concrete and additive manufacturing, in collaboration with the National Aeronautics and Space Administration and various private industries; and
- (2) Requesting the State to collaborate with PISCES, county agencies, and private industries to explore opportunities for applications of basaltic concrete and additive manufacturing in Hawaii.

PISCES and two concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism testified in support of the intent of this measure. One concerned individual testified in opposition to this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 133 and recommends its adoption.

Signed by all members of the Committee except Representatives Awana, Brower, Ohno, Tokioka and Wooley.

SCRep. 1348-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 12

The purpose of this measure is to honor King Kamehameha the Great and his descendants by sharing his story with a global audience; promoting ceremonies and activities that celebrate his vision, the spirit of Aloha, and Hawaii's rich culture and heritage; and urging all of the people of Hawaii to do the same.

The Association of Hawaiian Civic Clubs, Makaha Hawaiian Civic Club, and numerous concerned individuals testified in support of this measure. Two concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 12 and recommends its adoption.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1349-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 30

The purpose of this measure is to honor King Kamehameha the Great and his descendants by sharing his story with a global audience; promoting ceremonies and activities that celebrate his vision, the spirit of Aloha, and Hawaii's rich culture and heritage; and urging all of the people of Hawaii to do the same.

The Association of Hawaiian Civic Clubs, Makaha Hawaiian Civic Club, and numerous concerned individuals testified in support of this measure. Two concerned individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 30 and recommends its adoption.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1350-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 22

The purpose of this measure is to honor those Filipino veterans who served the United States so courageously during World War II by urging the President of the United States and the United States Congress to grant veterans benefits to Filipino veterans who fought in World War II but were subsequently denied the promised benefits to which they were entitled.

The Mayor of the County of Maui, Office of Veterans' Services, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 22 and recommends its adoption.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1351-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 41

The purpose of this measure is to honor those Filipino veterans who served the United States so courageously during World War II by urging the President of the United States and the United States Congress to grant veterans benefits to Filipino veterans who fought in World War II but were subsequently denied the promised benefits to which they were entitled.

The Mayor of the County of Maui, Office of Veterans' Services, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 41 and recommends its adoption.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1352-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 23

The purpose of this measure is to honor reserve-component members of the Armed Services of the United States by urging Congress, including Hawaii's Congressional delegation, to support the Veterans Health and Benefits Improvement Act of 2013, particularly the section providing those serving in the National Guard with veteran status.

The State Department of Defense and National Association for Uniformed Services-Hawaii Chapter testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 23 and recommends its adoption.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1353-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 42

The purpose of this measure is to honor reserve-component members of the Armed Services of the United States by urging Congress, including Hawaii's Congressional delegation, to support the Veterans Health and Benefits Improvement Act of 2013, particularly the section providing those serving in the National Guard with veteran status.

The State Department of Defense and National Association for Uniformed Services-Hawaii Chapter testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 42 and recommends its adoption.

Signed by all members of the Committee except Representative McDermott.

SCRep. 1354-14 Judiciary on H.R. No. 51

The purpose of this measure is to request the Auditor to conduct a sunrise review of the establishment of a system of registered dispensaries within the Department of Health to dispense medical marijuana as proposed in H.B. No. 1587, Regular Session of 2014, pursuant to section 26H-6, Hawaii Revised Statutes. The Auditor is requested to include in the sunrise review:

- (1) The qualifications, duties, and responsibilities for medical marijuana dispensaries;
- (2) The registration requirements that medical marijuana dispensaries may need in order to possess and cultivate medical marijuana;
- (3) The registration requirements for qualifying patients and primary caregivers to use and obtain services from medical marijuana dispensaries;
- (4) The registration, to include criminal record checks, of dispensary agents who must be registered with the Department of Health prior to working at a dispensary; and
- (5) The protections to be afforded to qualifying patients, primary caregivers, dispensaries, and dispensary agents.

The Community Alliance on Prisons, the Drug Policy Action Group, the Big Island Chapter of Americans for Safe Access, and several individuals supported this measure. The Honolulu Police Department and the Coalition for a Drug-Free Hawaii opposed the measure. One individual provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 51 and recommends its adoption.

Signed by all members of the Committee except Representatives Har, Ito, Kawakami, Wooley and McDermott.

SCRep. 1355-14 Judiciary on H.C.R. No. 74

The purpose of this measure is to request the Auditor to conduct a sunrise review of the establishment of a system of registered dispensaries within the Department of Health to dispense medical marijuana as proposed in H.B. No. 1587, Regular Session of 2014, pursuant to section 26H-6, Hawaii Revised Statutes. The Auditor is requested to include in the sunrise review:

- (1) The qualifications, duties, and responsibilities for medical marijuana dispensaries;
- (2) The registration requirements that medical marijuana dispensaries may need in order to possess and cultivate medical marijuana;
- (3) The registration requirements for qualifying patients and primary caregivers to use and obtain services from medical marijuana dispensaries;
- (4) The registration, to include criminal record checks, of dispensary agents who must be registered with the Department of Health prior to working at a dispensary; and
- (5) The protections to be afforded to qualifying patients, primary caregivers, dispensaries, and dispensary agents.

The Community Alliance on Prisons, the Drug Policy Action Group, the Big Island Chapter of Americans for Safe Access, and several individuals supported this measure. The Honolulu Police Department and the Coalition for a Drug-Free Hawaii opposed the measure. One individual provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 74 and recommends its adoption.

Signed by all members of the Committee except Representatives Har, Ito, Kawakami, Wooley and McDermott.

SCRep. 1356-14 Agriculture on H.C.R. No. 86

The purpose of this measure is to solicit geographically relevant input in the formulation of control strategies from stakeholders in areas where

the invasive and potentially hazardous albizia tree grows by requesting the Hawaii Invasive Species Council to provide input opportunities to individuals and organizations statewide through existing partnerships with the various island-based invasive species committees.

The Department of Land and Natural Resources; Kakilepo, LLC; and a concerned individual supported this concurrent resolution. A concerned individual provided comments.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 86, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola, Choy, Ohno and Tokioka.

SCRep. 1357-14 Housing/Human Services on S.C.R. No. 2

The purpose of this measure, as received by your Committee, is to encourage the Hawaii Public Housing Authority, Department of Hawaiian Home Lands, Hawaii Housing Finance and Development Corporation, and Hawaii Community Development Authority to build sustainable, multi-generational, mixed income, and mixed use housing.

For the purposes of a public hearing on this measure, your Committees circulated Proposed S.C.R. No. 2, H.D.1 (proposed draft) and notified the public that they would be accepting testimony on the proposal, which:

- (1) Encourages the Governor to issue an emergency proclamation declaring a statewide housing crisis; and
- (2) Encourages the Hawaii Public Housing Authority, Department of Hawaiian Home Lands, Hawaii Housing Finance and Development Corporation, and Hawaii Community Development Authority to build sustainable, multi-generational, mixed income, and mixed use housing.

Catholic Charities Hawaii, Community Alliance for Mental Health, United Self Help, and PHOCUSED supported the proposed draft. The Hawaii Housing Finance and Development Corporation, Department of Hawaiian Home Lands, Hawaii Public Housing Authority, Hawaii Community Development Authority, and Land Use Research Foundation of Hawaii supported the intent of the proposed draft.

Your Committees understand the concerns raised during testimony on the proposed draft in regards to the issuance of emergency proclamations being entirely at the Governor's discretion, but find that the issues raised by this measure are of an important and critical nature and should move forward for further discussion. Your Committees considered the merits of both S.C.R. No. 2, as received by your Committees, and the proposed draft, and upon careful consideration, adopted the proposed draft, with the following amendment:

- (1) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style, including amending its title to read: "SENATE CONCURRENT RESOLUTION ENCOURAGING THE GOVERNOR TO ISSUE AN EMERGENCY PROCLAMATION DECLARING A STATEWIDE HOUSING CRISIS AND THE HAWAII PUBLIC HOUSING AUTHORITY, DEPARTMENT OF HAWAIIAN HOME LANDS, HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, AND HAWAII COMMUNITY DEVELOPMENT AUTHORITY TO BUILD SUSTAINABLE, MULTIGENERATIONAL, MIXED INCOME, AND MIXED USE HOUSING."

As affirmed by the records of votes of the members of your Committees on Housing and Human Services that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 2, as amended herein, and recommend that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs, in the form attached hereto as S.C.R. No. 2, H.D. 1.

Signed by all members of the Committee except Representatives Creagan, Jordan, Oshiro and Fukumoto.

SCRep. 1358-14 Education on S.B. No. 2331

The purpose of this measure is to improve the operations of the Hawaii Teacher Standards Board by, among other things:

- (1) Clarifying that public-school employers are not authorized to refuse or revoke a teaching license;
- (2) Amending the membership, qualification, and appointment requirements for the Hawaii Teacher Standards Board;
- (3) Clarifying the respective powers and duties of the Department of Education, State Public Charter School Commission, and individual charter schools with respect to teacher hiring and licensure and with respect to the functions of the Hawaii Teacher Standards Board; and
- (4) Making various housekeeping and conforming amendments, including the repeal of obsolete provisions.

The Hawaii Teacher Standards Board supported the bill. The Department of Education, State Public Charter School Commission, Hawaii Educational Policy Center, and Hawaii State Teachers Association provided comments.

Your Committee has amended this bill by changing its effective date to upon its approval.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2331, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2331, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Ichiyama and Takai.

SCRep. 1359-14 Consumer Protection & Commerce on S.B. No. 2801

The purpose of this measure, as received by your Committee, is to permit the acceptance of a variance from the mandatory solar water heating requirement for single-family dwellings for a demand water heater device based on approval of the demand water heater by a North American certification organization, including the Canadian Standards Association International; Air-Conditioning, Heating, and Refrigeration Institute; Gas Appliance Manufacturers Association; or other similar active, recognized, independent, nonprofit organization dedicated to products standards.

For the purposes of a public hearing on this bill, your Committee circulated Proposed Draft S.B. No. 2801, H.D. 1, and notified the public that it would be accepting testimony on the proposal, which:

- (1) Specifies that a demand water heater device includes both gas and non-gas tankless instantaneous water heaters;
- (2) Clarifies that the requirement for another gas appliance in the dwelling applies only to gas tankless water heaters; and
- (3) Applies the requirement for certification of demand water heater devices to both gas and non-gas tankless instantaneous water heaters.

The Hawaii Solar Energy Association testified in support of this measure as it was received by your Committee.

The Department of Business, Economic Development, and Tourism and Hawaii Solar Energy Association testified in opposition to the Proposed Draft.

Your Committee has considered the merits of both S.B. No. 2801, as received by your Committee, and the Proposed Draft, and upon careful consideration, has adopted the Proposed Draft.

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

Your Committee notes that the Department of Business, Economic Development, and Tourism testified in opposition to this measure. However, your Committee finds that the amendments added will help alleviate the high cost of housing and provide more construction jobs in the State. Your Committee further notes that although this measure includes standards that may apply to electrical heaters, energy efficient gas tankless heaters will still be the most popular consumer choice because of the reduced energy costs they provide to homeowners.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2801, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2801, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Belatti, Har, Lee and Nakashima.

SCRep. 1360-14 Judiciary on S.B. No. 2591

The purpose of this measure is to improve transparency in police misconduct by amending the requirements for the report submitted annually by the county chiefs of police to the Legislature to:

- (1) Specify a due date and reporting period;
- (2) Require greater detail, including the disclosure of multiple incidents involving the same officer;
- (3) Require annual updates for on-going internal grievance adjustment procedures that have not yet concluded by the end of the prior reporting period; and
- (4) Require retention of the disciplinary records of each reported incident for the length of the police department's own record retention period or six months after the final annual report concerning that incident has been filed, whichever is longer.

The Civil Beat Law Center for the Public Interest; American Civil Liberties Union of Hawaii; Society of Professional Journalists, Hawaii Chapter; League of Women Voters of Hawaii; and one concerned individual testified in support of this measure. The State of Hawaii Organization of Police Officers opposed this measure. The Office of Information Practices provided comments.

Your Committee respectfully notes that consistent with *State of Hawaii Organization of Police Officers v. Society of Professional Journalists, University of Hawaii Chapter*, 83 Hawaii 378 (1996) (*SHOPO v. SPJ*), allowing the disclosure of all suspension information instead of just discharge information does not violate the privacy rights of individual police officers. The Hawaii Supreme Court held in *SHOPO v. SPJ* that, "The information that must be disclosed pursuant HRS § 92F-14(b)(4)(B) regarding a public employee's employment-related misconduct and resulting discipline, is not 'highly personal and intimate information' and is, therefore, not within the scope of Hawaii's constitutional right to privacy." Nonetheless, your Committee has determined to limit required disclosures of police misconduct to suspensions of one year or more per incident and discharges.

Your Committee has amended this measure by:

- (1) Extending the minimum time that disciplinary records must be maintained for each reported incident from six months to eighteen months;
- (2) Specifying that the chief of each county police department is the responsible party for reporting to the Legislature and retaining disciplinary records for each reported incident;

- (3) Amending the Freedom of Information Act under the Hawaii Uniform Information Practices Act to permit the disclosure of certain information regarding police officers suspended for one year or more, in addition to discharged officers;
- (4) Making it effective upon its approval; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2591, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2591, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Creagan, Ito, Nakashima and Thielen.
(Representative McDermott voted no.)

SCRep. 1361-14 Water & Land on S.B. No. 2633

The purpose of this measure is to exempt private residences that have not been entered or nominated by the owner for entry onto the Hawaii register of historic places from inclusion as a historic property for purposes of review by the Department of Land and Natural Resources upon application for any land use-related permit or action.

Your Committee received testimony in support of this measure from Hawai'i Association of REALTORS, The Chamber of Commerce of Hawaii, the Pacific Resource Partnership, Building Industry Association of Hawaii, and one individual. Your Committee received testimony in opposition to this measure from Historic Hawai'i Foundation, the Society for Hawaiian Archeology, Hawaii's Thousand Friends, and several individuals. The Department of Land and Natural Resources submitted comments.

Your Committee has amended this measure by:

- (1) Amending the definition of "historic property" to refer to any property that is included in or eligible for the Hawaii register of historic places;
- (2) Specifying that residential properties that are not historic properties and projects that have no potential to affect historic properties are not subject to permit or approval review by the Department of Land and Natural Resources and shall not be submitted for review;
- (3) Directing the Department of Land and Natural Resources to take steps to facilitate the implementation of this measure, including making lists of properties likely to be excluded or included, respectively, in review requirements and making a plan for an inventory of historic buildings in the State, to assist the counties in complying with this measure; and
- (4) Making technical, nonsubstantive amendments, including adding a purpose section, for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2633, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2633, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hanohano, Kawakami and Nishimoto.

SCRep. 1362-14 Judiciary on S.B. No. 2839

The purpose of this measure is to repeal the directive to amend the Hawaiian Homes Commission Act, 1920, as amended, as necessary to accomplish the purposes of Act 195, Session Laws of Hawaii 2011, which created a Native Hawaiian Roll Commission to prepare and maintain a roll of qualified Native Hawaiians in anticipation of the development of a reorganized Native Hawaiian governing entity. This repeal is based on the finding that no amendments to the Hawaiian Homes Commission Act are required to accomplish the purposes of Act 195.

The Department of Hawaiian Home Lands and Office of Hawaiian Affairs testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2839, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Nakashima and Wooley.

SCRep. 1363-14 Water & Land on S.B. No. 2330

The purpose of this measure is to update the composition, leadership, and meeting requirements of the Kaneohe Bay Regional Council to facilitate the Council's activities for the protection and management of Kaneohe Bay.

The Aha Moku Advisory Committee, Ko'olaupoko Hawaiian Civic Club, and Ko'olau Foundation submitted testimony in support of this measure. The Department of Business, Economic Development, and Tourism and Department of Land and Natural Resources submitted comments.

Your Committee has amended this measure by:

- (1) Removing the Director of Business, Economic Development, and Tourism as an ex officio nonvoting member of the Council;

- (2) Specifying that the Council shall meet semi-annually instead of quarterly; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2330, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2330, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hanohano.

SCRep. 1364-14 Judiciary on S.B. No. 2822

The purpose of this measure is to authorize the Department of Commerce and Consumer Affairs to conduct criminal history record checks on applicants for real estate appraiser licensure.

The Professional and Vocational Licensing Division and Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Commerce and Consumer Affairs is authorized to conduct criminal history record checks on applicants for real estate appraiser certification in addition to applicants for licensure; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2822, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2822, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Belatti and Ito.

SCRep. 1365-14 Judiciary on S.B. No. 2882

The purpose of this measure is to update the Uniform Controlled Substances Act under Chapter 329, Hawaii Revised Statutes, to make it consistent with amendments to federal law on controlled substances, as required by state law.

The Honolulu Police Department testified in support of this measure.

Your Committee has amended this measure by making it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2882, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2882, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Belatti and Ito.

SCRep. 1366-14 Judiciary on H.C.R. No. 192

The purpose of this measure is to:

- (1) Convene a task force to establish statewide procedural and administrative requirements for eyewitness identification and interrogation of suspects in criminal investigations;
- (2) Designate the chair and members of the task force;
- (3) Establish that the eyewitness identification procedures recommended by the task force include requirements for live lineups, photo lineups, and showups;
- (4) Establish that the procedural and administrative requirements recommended by the task force for eyewitness identification include use of blind administrative of lineups, specific instructions to eyewitnesses, ensuring that non-suspects match the description of the perpetrator, taking confidence statements from the person viewing a lineup in the person's own words, and identifying the means by which an eyewitness identification procedure is recorded or documented;
- (5) Establish that the procedural and administrative requirements recommended by the task force for interrogation include administering Miranda warnings, identifying the cases in which electronic recording is appropriate, ensuring that the statements be electronically recorded, and properly documenting statements and confessions;
- (6) Establish that the task force consider whether existing legal framework for evaluating eyewitness and confession evidence is consistent with generally accepted social science research and practice;

- (7) Establish that the task force offer guidance on how Hawaii courts can most effectively combat unnecessarily suggestive eyewitness identification procedures or unrecorded custodial interrogations to minimize the risk of a wrongful conviction;
- (8) Establish that the task force work with law enforcement officials in developing training programs for law enforcement relative to eyewitness identification procedures;
- (9) Establish that the task force submit a report of its findings to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015; and
- (10) Provide that certificate copies of this resolution be transmitted to the parties named in the resolution.

The Community Alliance on Prisons, Hawaii Innocence Project, and many concerned individuals submitted testimony in support of this measure.

The Department of the Attorney General, Department of the Prosecuting Attorney of the City and County of Honolulu, Office of the Prosecuting Attorney of the County of Kauai, Department of the Prosecuting Attorney of the County of Maui, Honolulu Police Department, Maui Police Department, Kauai Police Department submitted testimony in opposition to this measure.

The Judiciary and one concerned individual submitted testimony commenting on this measure.

Your Committee notes that the Honolulu Police Department submitted oral testimony that all of the procedural and administrative requirements for eyewitness identification and interrogation of suspects in criminal investigations proposed in the original version of this measure are currently being implemented.

Your Committee has amended this measure by:

- (1) Modifying the title to reflect the amended intent of the measure;
- (2) Removing the provisions relating to the establishment of a task force;
- (3) Removing the provisions relating to the procedural and administrative requirements to be studied and recommended by the task force;
- (4) Removing the provisions relating to the obligations of the task force;
- (5) Inserting language strongly encouraging the county police departments to continue taking affirmative steps towards implementing those best practices identified in model policies and procedures to improve the accuracy of eyewitness identifications and confession evidence;
- (6) Inserting language commending the county police departments for the affirmative steps they have taken towards implementing those best practices identified in model policies and procedures to improve the accuracy of eyewitness identifications and confession evidence;
- (7) Providing that copies of the resolution be sent to the county police chiefs and prosecuting attorneys; and
- (8) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 192, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 192, H.D. 1.

Signed by all members of the Committee except Representatives Har, Ito, Kawakami, Wooley and McDermott.

SCRep. 1367-14 Judiciary on H.C.R. No. 45

The purpose of this measure is to:

- (1) Have the Legislative Branch of the State of Hawaii call on the Government of People's Republic of China to stop illegally harvesting organs from executed prisoners, many of which are members of the Falun Gong;
- (2) Urge the United States Department of State to issue a travel warning for United States Citizens traveling to China for organ transplants, which informs them that the organs they are buying could potentially be illegally harvested; and
- (3) Provide certified copies of this Concurrent Resolution to the President of the United States Senate, The Speaker of the United States House Representatives, Hawaii's congressional delegation, the United States Secretary of State, and the Ambassador of the People's Republic of China to the United States.

Many concerned citizens testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 45 and recommends its adoption.

Signed by all members of the Committee except Representatives Har, Ito, Kawakami, Lee, Nakashima and McDermott.

SCRep. 1368-14 Education on H.R. No. 27

The purpose of this measure is to support civics education in public schools in Hawaii by urging the Department of Education to:

- (1) Emphasize and reinforce instruction regarding American civics;
- (2) Provide public-school students a strong foundation in American civics before they enter high school; and
- (3) Emphasize curriculum that includes the study of the Declaration of Independence; the study of the United States Constitution, including the Bill of Rights; the history behind these two significant documents; and an examination of why these documents are important to each individual.

Several concerned individuals supported the measure. The Department of Education provided comments.

Your Committee has amended the measure by:

- (1) Strongly urging the Department of Education to strengthen and reinforce the civic readiness, education, and engagement of students from kindergarten through grade 12 in all public schools;
- (2) Urging the Department of Education to enhance social-studies courses and integrate content, processes, strategies, and proven practices in civic education within each public school to expand the knowledge, skills, and capabilities of public-school students in kindergarten through grade 12 to be informed, active citizens participating in an integrated world; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style, including:
 - (A) Amending all prefatory "WHEREAS" clauses to reflect the amended focus of this measure; and
 - (B) Adding recipients of certified copies of this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 27, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 27, H.D. 1.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1369-14 Education on H.C.R. No. 46

The purpose of this measure is to support civics education in public schools in Hawaii by urging the Department of Education to:

- (1) Emphasize and reinforce instruction regarding American civics;
- (2) Provide public-school students a strong foundation in American civics before they enter high school; and
- (3) Emphasize curriculum that includes the study of the Declaration of Independence; the study of the United States Constitution, including the Bill of Rights; the history behind these two significant documents; and an examination of why these documents are important to each individual.

Several concerned individuals supported the measure. The Department of Education provided comments.

Your Committee has amended the measure by:

- (1) Strongly urging the Department of Education to strengthen and reinforce the civic readiness, education, and engagement of students from kindergarten through grade 12 in all public schools;
- (2) Urging the Department of Education to enhance social-studies courses and integrate content, processes, strategies, and proven practices in civic education within each public school to expand the knowledge, skills, and capabilities of public-school students in kindergarten through grade 12 to be informed, active citizens participating in an integrated world; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style, including:
 - (A) Amending all prefatory "WHEREAS" clauses to reflect the amended focus of this measure; and
 - (B) Adding recipients of certified copies of this measure.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 46, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 46, H.D. 1.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1370-14 Economic Development & Business/Agriculture on H.R. No. 77

The purpose of this measure is to provide an integrated and focused approach to sustainability by:

- (1) Legislatively endorsing clean energy, sustainability, resource management, and other goals of the Aloha+ Challenge; and
- (2) Requesting the Hawaii State Sustainability Coordinator to submit a report to the Legislature regarding the launch and progress of the Aloha+ Challenge.

The Department of Health; Department of Business, Economic Development, and Tourism; Office of Planning; Department of Land and Natural Resources; Department of Agriculture; State Department of Defense; State Sustainability Coordinator; Office of Economic Development of the County of Kauai; Office of Hawaiian Affairs; Nature Conservancy; Sustainability Partners, Inc.; Ulupono Initiative; Hawaii Green Growth; Enterprise Honolulu; and several concerned individuals testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Agriculture that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 77 and recommend its adoption.

Signed by all members of the Committee except Representatives Ito, Ohno and Tokioka.

SCRep. 1371-14 Economic Development & Business/Agriculture on H.C.R. No. 104

The purpose of this measure is to provide an integrated and focused approach to sustainability by:

- (1) Legislatively endorsing clean energy, sustainability, resource management, and other goals of the Aloha+ Challenge; and
- (2) Requesting the Hawaii State Sustainability Coordinator to submit a report to the Legislature regarding the launch and progress of the Aloha+ Challenge.

The Department of Health; Department of Business, Economic Development, and Tourism; Office of Planning; Department of Land and Natural Resources; Department of Agriculture; State Department of Defense; State Sustainability Coordinator; Office of Economic Development of the County of Kauai; Office of Hawaiian Affairs; Nature Conservancy; Sustainability Partners, Inc.; Ulupono Initiative; Hawaii Green Growth; Enterprise Honolulu; and several concerned individuals testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Agriculture that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 104 and recommend its adoption.

Signed by all members of the Committee except Representatives Ito, Ohno and Tokioka.

SCRep. 1372-14 Economic Development & Business on H.R. No. 116

The purpose of this measure is to conserve, manage, and protect Native Hawaiian plants and resources by urging the Department of Agriculture to collaborate with the Department of Business, Economic Development, and Tourism to create economic development initiatives for the perpetuation and use of Native Hawaiian plants and resources.

The Department of Agriculture and Department of Business, Economic Development, and Tourism testified in support of the intent of this measure. The Department of Land and Natural Resources provided comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 116, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ito and Ohno.

SCRep. 1373-14 Economic Development & Business on H.C.R. No. 155

The purpose of this measure is to conserve, manage, and protect Native Hawaiian plants and resources by urging the Department of Agriculture to collaborate with the Department of Business, Economic Development, and Tourism to create economic development initiatives for the perpetuation and use of Native Hawaiian plants and resources.

The Department of Agriculture and Department of Business, Economic Development, and Tourism testified in support of the intent of this measure. The Department of Land and Natural Resources provided comments.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 155, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Ito and Ohno.

SCRep. 1374-14 Water & Land on S.B. No. 707

The purpose of this measure as it was received by your Committee is to repeal the statutory authorization for the Public Land Development Corporation and provide for the disposition of that agency's funds, personnel, and assets.

For purposes of a public hearing, your Committee posted notice of a proposed House Draft of this measure. The proposed House Draft noticed and circulated by your Committee deleted the contents of S.B. No. 707, S.D. 2 and inserted language that:

- (1) Grants lessees of public land, excluding those disqualified due to violation of lease terms or other state or county requirements, the statutory right to relinquish the lease at any time during the lease period;
- (2) Provides a process for appraisal and valuation of improvements to the leased land similar to that required in the case of repurchase of improved public land by the Board of Land and Natural Resources; and
- (3) Provides for disposition of the relinquished lease by public auction in which the relinquishing lessee may bid; determination of the terms of a subsequent lease; and reimbursement of the relinquishing lessee by a subsequent lessee for the value of any improvements.

An individual submitted comments on this measure as it was received by your Committee.

Takamine Construction, Inc.; Mauna Kea Infrared, LLC; Japanese Chamber of Commerce & Industry; and several individuals submitted testimony in support of the proposed House Draft. The Department of Land and Natural Resources and Department of Transportation submitted testimony in opposition to the proposed House Draft. Hilo Bay Printing Company, LTD submitted comments on the proposed House Draft.

Your Committee has amended this measure from the form in which it was received by accepting the proposed House Draft with a further amendment to specify that the right to relinquish a lease of public land applies only to lands subject to the management, administration, or control of the Department of Land and Natural Resources.

Many currently existing commercial and industrial ground leases of public lands date back to the period immediately following statehood and are due to expire in the next few years. Your Committee finds that the imminent expiration of these leases impedes lessees' ability to secure financing for new or renovated capital improvements to the land, thereby contributing to the degradation of infrastructure and resulting limitations on productive use. Further, expiration of these leases creates uncertainty with regard to the continued operation of the commercial and industrial enterprises at issue, many of which are small businesses owned by local individuals and families. Because of the impending expiration of so many public land leases across the State, your Committee finds that the time is right to address this issue and to move toward a solution that protects the interests of the State and promotes economic opportunity and small business development.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 707, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 707, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Kawakami, Lee, Lowen and Nishimoto.

SCRep. 1375-14 Judiciary on S.B. No. 2329

The purpose of this measure is to allow the Examiner of Drivers to waive the actual demonstration of the ability to operate a motor vehicle for any person who meets certain criteria and who holds a valid provisional license from another state.

A concerned individual supported the bill. The Department of Transportation and Department of Customer Services of the City and County of Honolulu provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2329, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Har, Ito, Kawakami, Wooley and McDermott.

SCRep. 1376-14 Judiciary on S.B. No. 2420

The purpose of this measure is to promote public safety and information security by:

- (1) Authorizing the counties to conduct criminal history record checks on prospective employees who work with children in community-based programs;
- (2) Updating references to adults or citizens who are dependent or disabled in the criminal history record check authorization statute to "vulnerable" adults or citizens;
- (3) Authorizing the State and counties to conduct criminal history record checks on employees, prospective employees, volunteers, and contractors whose positions require unescorted access to secured areas and equipment related to a traffic management center;
- (4) Authorizing the State and counties to conduct criminal history record checks on employees and prospective employees for positions involving the handling of firearms for other than law enforcement purposes, and exempting the State and county from restrictions that:
 - (A) Allow these conviction record inquiries only after a prospective employee has received a conditional job offer; and
 - (B) Limit these inquiries to the most recent ten-year period; and
- (5) Authorizing the State and counties to conduct criminal history record checks on current and prospective analysts and others involved in an agency's information technology operation whose position provides them with access to proprietary, sensitive, or confidential information.

The Department of Human Resources Development; Department of Transportation; City and County of Honolulu, Department of Human

Resources; Honolulu Emergency Services Department; and Honolulu Police Department testified in support of this measure. The Hawaii Civil Rights Commission provided comments.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2420, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti and Ito.

SCRep. 1377-14 Judiciary on S.B. No. 2229

The purpose of this measure is to update the law governing powers of attorney in Hawaii by adopting the Uniform Power of Attorney Act and repealing or amending obsolete or conflicting provisions, including the Uniform Durable Power of Attorney Act.

The Executive Office on Aging; Office of the Prosecuting Attorney of the County of Hawaii; Alzheimer's Association, Aloha Chapter; AARP Hawaii; and Commission to Promote Uniform Legislation testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2229, S.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti and Ito.

SCRep. 1378-14 Judiciary on S.B. No. 2452

The purpose of this measure is to exempt mothers who are breastfeeding or expressing milk from jury duty for a period of one year from the birth of a child, for each child that the woman breastfeeds.

The American Congress of Obstetricians and Gynecologists, Hawaii Section; Breastfeeding Hawaii; Planned Parenthood of Hawaii; and one concerned individual testified in support of this measure. The Judiciary provided comments.

Your Committee notes that the Judiciary may not have written policies for exempting prospective jurors who are breastfeeding or for accommodating jurors who need to breastfeed or express milk while serving on a jury. It has come to your Committee's attention that a number of breastfeeding jurors and prospective jurors may have had difficulty finding information about accommodations available for those breastfeeding and willing to serve on a jury. Your Committee requests that the Judiciary submit additional information to the Legislature on this matter.

Your Committee finds that the Judiciary has already mailed information about the current statutory exemptions to prospective jurors for the 2014 cycle. In order to allow the Judiciary sufficient time to implement this bill, your Committee finds that it is necessary to delay implementation.

Your Committee has amended this measure by:

- (1) Increasing the exemption period from jury duty for breastfeeding mothers from one year to two years;
- (2) Deferring its implementation until July 1, 2015; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2452, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2452, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har, Nakashima, Wooley and McDermott.

SCRep. 1379-14 Judiciary on S.B. No. 2875

The purpose of this measure is to incorporate consideration of issues significant to native Hawaiian culture into decisions regarding endangered species by requiring the inclusion of a member with a background in native Hawaiian traditional and customary practices on the Endangered Species Recovery Committee.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, and a concerned individual submitted testimony in support of the measure.

Your Committee has amended this measure by including criteria by which the traditional and customary practice background requirement may be met.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2875, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2875, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Har, Nakashima, Wooley and McDermott.

SCRep. 1380-14 Judiciary/Consumer Protection & Commerce on S.B. No. 2574

The purpose of this measure is to make clarifying housekeeping amendments to the registration requirements regarding the medical use of marijuana. Specifically, this measure:

- (1) Changes the term "registry card" to "registration card";
- (2) Removes the requirement that the physician issuing a written certificate for the use of medical marijuana be the qualifying patient's primary care physician;
- (3) Adds additional requirements to be followed by the certifying physician; and
- (4) Limits the fee for the registration card to a maximum of \$35 per year, instead of requiring it to be set at \$35.

The Department of Health, Community Alliance on Prisons, Big Island Chapter of Americans for Safe Access, Drug Policy Action Group, Hawaii Standards & Green Futures, Effective Change, Religion of Jesus Church, and numerous concerned citizens testified in support of this measure. The Coalition for a Drug-Free Hawaii opposed this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu, Maui Police Department, Natural Cancer Wellness, and a few concerned individuals provided comments on this measure.

Your Committees have amended this measure by changing its effective date to January 2, 2015.

As affirmed by the records of votes of the members of your Committees on Judiciary and Consumer Protection & Commerce that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2574, S.D. 1, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2574, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har, Ito, Oshiro and Yamane.

SCRep. 1381-14 Judiciary on H.R. No. 29

The purpose of this measure is to request the Public Policy Center in the College of Social Sciences at the University of Hawaii at Manoa (Public Policy Center) to convene a task force to develop recommendations for the establishment of a regulated statewide dispensary system for medical marijuana which will provide safe and legal access to medical marijuana for qualified patients.

The Department of Health, Department of Public Safety, Americans for Safe Access-Big Island Chapter, Community Alliance on Prisons, Drug Policy Action Group, Effective Change, LLC, Hawaiian Standard & Green Futures, and numerous concerned individuals submitted testimony in support of the measure. The City and County of Honolulu Police Department and the Coalition for a Drug-Free Hawaii submitted testimony in opposition to the measure. The Public Policy Center, Legislative Reference Bureau, and concerned individuals submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that the police chief or the police chief's designee may serve on the task force;
- (2) Adding a representative from the Coalition for a Drug-Free Hawaii to serve on the task force;
- (3) Adding the Executive Director of the Coalition for a Drug-Free Hawaii to the list of individuals receiving certified copies of this measure; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 29, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 29, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1382-14 Judiciary on H.C.R. No. 48

The purpose of this measure is to request the Public Policy Center in the College of Social Sciences at the University of Hawaii at Manoa (Public Policy Center) to convene a task force to develop recommendations for the establishment of a regulated statewide dispensary system for medical marijuana which will provide safe and legal access to medical marijuana for qualified patients.

The Department of Health, Department of Public Safety, Americans for Safe Access-Big Island Chapter, Community Alliance on Prisons, Drug Policy Action Group, Effective Change, LLC, Hawaiian Standard & Green Futures, and numerous concerned individuals submitted testimony in support of the measure. The City and County of Honolulu Police Department and the Coalition for a Drug-Free Hawaii submitted testimony in opposition to the measure. The Public Policy Center, Legislative Reference Bureau, and concerned individuals submitted comments.

Your Committee has amended this measure by:

- (1) Specifying that the police chief or the police chief's designee may serve on the task force;
- (2) Adding a representative from the Coalition for a Drug-Free Hawaii to serve on the task force;

- (3) Adding the Executive Director of the Coalition for a Drug-Free Hawaii to the list of individuals receiving certified copies of this measure; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 48, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 48, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1383-14 Judiciary on H.R. No. 7

The purpose of this measure is to promote the goals of Title IX and the Violence Against Women Reauthorization Act of 2013 (VAWA) by requesting the University of Hawaii to take steps to address and prevent sex discrimination and violence against women and girls.

Specifically, the measure requests the University of Hawaii to:

- (1) Affirm its commitment to following the tenets of Title IX and VAWA and to the prevention of all forms of violence against women and girls;
- (2) Ensure that the University is committed to increasing resources and strengthening the institutional infrastructure of all its campuses with respect to addressing and preventing sexual violence and other forms of gender violence and discrimination;
- (3) Meet the mandates of Title IX, including publicizing a notice of nondiscrimination on the basis of sex; designating an employee to coordinate compliance with Title IX; adopting appropriate complaint and investigation procedures; implementing educational and victim-resource programs; and providing various forms of training;
- (4) Formulate plans to address and prevent gender discrimination and gender violence, disseminate information about revisions to its policies and procedures, and develop best practices for responding to victims;
- (5) Conduct a study on the prevalence of sexual violence at all University campuses and disseminate copies of the study, as appropriate;
- (6) Identify crucial stakeholders and offices to handle complaints of sex-based violence, harassment, and discrimination, and develop streamlined policies and procedures to assist complainants and timely responses from the University; and
- (7) Submit a report of its guidelines and the status of its Title IX and VAWA policies, procedures, staffing, and statistics, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The Hawaii Civil Rights Commission; YWCA of Oahu; Planned Parenthood of Hawaii; Women's Caucus of the Democratic Party of Hawaii; Hawaii Women's Coalition; Sex Abuse Treatment Center; and a concerned individual supported the measure. The University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Adding the condition that the University of Hawaii consult with its student governing bodies, faculty governing bodies, and the unions representing its workers when taking the actions requested by the resolution;
- (2) Making illustrative, rather than exhaustive, the list of fields of study where women and girls may experience stereotypes, discrimination, and barriers; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 7, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 7, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1384-14 Judiciary on H.C.R. No. 12

The purpose of this measure is to promote the goals of Title IX and the Violence Against Women Reauthorization Act of 2013 (VAWA) by requesting the University of Hawaii to take steps to address and prevent sex discrimination and violence against women and girls.

Specifically, the measure requests the University of Hawaii to:

- (1) Affirm its commitment to following the tenets of Title IX and VAWA and to the prevention of all forms of violence against women and girls;
- (2) Ensure that the University is committed to increasing resources and strengthening the institutional infrastructure of all its campuses with respect to addressing and preventing sexual violence and other forms of gender violence and discrimination;
- (3) Meet the mandates of Title IX, including publicizing a notice of nondiscrimination on the basis of sex; designating an employee to coordinate compliance with Title IX; adopting appropriate complaint and investigation procedures; implementing educational and

victim-resource programs; and providing various forms of training;

- (4) Formulate plans to address and prevent gender discrimination and gender violence, disseminate information about revisions to its policies and procedures, and develop best practices for responding to victims;
- (5) Conduct a study on the prevalence of sexual violence at all University campuses and disseminate copies of the study, as appropriate;
- (6) Identify crucial stakeholders and offices to handle complaints of sex-based violence, harassment, and discrimination, and develop streamlined policies and procedures to assist complainants and timely responses from the University; and
- (7) Submit a report of its guidelines and the status of its Title IX and VAWA policies, procedures, staffing, and statistics, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The Hawaii Civil Rights Commission; YWCA of Oahu; Planned Parenthood of Hawaii; Women's Caucus of the Democratic Party of Hawaii; Hawaii Women's Coalition; Sex Abuse Treatment Center; and a concerned individual supported the measure. The University of Hawaii provided comments.

Your Committee has amended this measure by:

- (1) Adding the condition that the University of Hawaii consult with its student governing bodies, faculty governing bodies, and the unions representing its workers when taking the actions requested by the resolution;
- (2) Making illustrative, rather than exhaustive, the list of fields of study where women and girls may experience stereotypes, discrimination, and barriers; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 12, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 12, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1385-14 Transportation on S.B. No. 2138

The purpose of this measure is to keep abreast with the latest developments in electric vehicles by amending the definition of "neighborhood electric vehicle" to mean that the vehicle has a gross vehicle weight rating of less than three thousand pounds and removing the passenger limitation.

The Department of Transportation and Department of Customer Services City and County of Honolulu testified in support of this measure. The Department of Business, Economic Development, and Tourism commented on this measure.

As affirmed by the record of votes of the members of your Committee on Transportation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2138, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Har and Ing.

SCRep. 1386-14 Judiciary on S.B. No. 2874

The purpose of this measure is to require that at least one member of the Board of Land and Natural Resources (Board) has a background in native Hawaiian traditional and customary practices.

The Office of Hawaiian Affairs, Department of Land and Natural Resources, and one concerned individual testified in support of this measure.

Your Committee notes the existence of the Aha Moku Councils, which are tasked, among other things, with advising the State on native Hawaiian resource management practices and establishing a comprehensive set of native Hawaiian best practices for natural resource management. In addition, the Kaneohe Bay Regional Council (Council) was established within the Department of Land and Natural Resources to advise the State and county on matters relating to the use and management of Kaneohe Bay. Further, one of the Council's seven members is from the Office of Hawaiian Affairs. Given the existence of these advisory bodies, your Committee notes the concerns of certain Committee members that requiring the Board to have one expert member in native Hawaiian traditional and customary practices may be redundant.

Your Committee has amended this measure by:

- (1) Clarifying that the Board member with expertise in native Hawaiian traditional and customary practices shall not be the same person as the member appointed with a background in conservation and natural resources, thereby requiring a total of two expert Board members;
- (2) Establishing criteria by which the Board member's expertise in native Hawaiian traditional and customary practices shall be demonstrated; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2874, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2874,

H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Har, Nakashima, Wooley and McDermott.

SCRep. 1387-14 Consumer Protection & Commerce on S.B. No. 2465

The purpose of this measure is to require psychologists in the State to complete a minimum of 18 credit hours of continuing education courses for each licensing renewal biennium, beginning with the 2016 through 2018 biennium.

The Board of Psychology, Hawaii Psychological Association, Hawaii Medical Association, National Association of Social Workers Hawaii Chapter, and several individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2465, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2465, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1388-14 Judiciary on S.B. No. 651

The purpose of this measure is to prohibit smoking in and around Hawaii Public Housing Authority public housing projects, state low-income housing projects, and elder or elderly households.

The Department of Health, Coalition for a Tobacco-Free Hawaii, and two concerned individuals submitted testimony in support of the measure. Four concerned individuals submitted testimony in opposition to the measure. The Hawaii Public Housing Authority submitted comments.

Your Committee has amended this measure by:

- (1) Providing that after July 1, 2014, the Hawaii Public Housing Authority shall not enter into or renew any lease, rental agreement, permit, or license, including month-to-month tenancy, unless the lease, rental agreement, permit, or license prohibits smoking in the public housing project;
- (2) Requiring that designated smoking areas be at least twenty-five feet from any building, instead of twenty feet;
- (3) Authorizing termination of the lease, rental agreement, permit, or license and the eviction of a tenant for violation of the smoking prohibition;
- (4) Changing the effective date from July 1, 2050, to upon approval; and
- (5) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 651, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 651, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Kawakami and Wooley.
(Representative McDermott voted no.)

SCRep. 1389-14 Human Services on H.R. No. 25

The purpose of this measure is to increase the rate of voter participation by young people in Hawaii by requesting:

- (1) The Department of Education and Department of Human Services to assist with increasing voter registration among young adults;
- (2) The Department of Education to provide high school seniors at every public school with voter registration information prior to graduation;
- (3) The Department of Human Services to provide young adults in young adult voluntary foster care with information on voter registration; and
- (4) The Department of Human Services to provide informational literature about the voter-registration process to any young adult who inquires.

The Department of Education, Office of Elections, Department of Human Services, and Hawaii Youth Services Network supported this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 25 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti and Hashem.

SCRep. 1390-14 Human Services on H.C.R. No. 43

The purpose of this measure is to increase the rate of voter participation by young people in Hawaii by requesting:

- (1) The Department of Education and Department of Human Services to assist with increasing voter registration among young adults;
- (2) The Department of Education to provide high school seniors at every public school with voter registration information prior to graduation;
- (3) The Department of Human Services to provide young adults in young adult voluntary foster care with information on voter registration; and
- (4) The Department of Human Services to provide informational literature about the voter-registration process to any young adult who inquires.

The Department of Education, Office of Elections, Department of Human Services, and Hawaii Youth Services Network supported this measure.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 43 and recommends its adoption.

Signed by all members of the Committee except Representatives Belatti and Hashem.

SCRep. 1391-14 Consumer Protection & Commerce/Judiciary on H.R. No. 157

The purpose of this measure is to protect African elephants.

Specifically, the measure urges the federal government to enhance its enforcement of federal laws prohibiting the sale of ivory, which is often supplied by poachers who illegally slaughter African elephants.

The Department of Land and Natural Resources, Elephants NJ, Golfing for Elephants, and five individuals testified in support of the measure. Elephants DC, The Humane Society of the United States - Humane Society International, the Natural Resources Defense Council, and WildAid commented on the measure.

Your Committees find that African elephants are nearing extinction due to poaching driven by the high price of ivory and consumer demand. The Convention on International Trade in Endangered Species of Wild Fauna and Flora, adopted by the United States, banned the international trade of African elephant ivory, and federal laws prohibit the sale of certain classes of ivory. Accordingly, your Committees believe the federal government should enhance its enforcement of federal laws prohibiting the sale of non-antique African elephant ivory.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.R. No. 157 and recommend its adoption.

Signed by all members of the Committee except Representatives Cachola, Har, Ito, Oshiro and McDermott.

SCRep. 1392-14 Consumer Protection & Commerce/Judiciary on H.C.R. No. 197

The purpose of this measure is to protect African elephants.

Specifically, the measure urges the federal government to enhance its enforcement of federal laws prohibiting the sale of ivory, which is often supplied by poachers who illegally slaughter African elephants.

The Department of Land and Natural Resources, Elephants NJ, Golfing for Elephants, and five individuals testified in support of the measure. Elephants DC, The Humane Society of the United States - Humane Society International, the Natural Resources Defense Council, and WildAid commented on the measure.

Your Committees find that African elephants are nearing extinction due to poaching driven by the high price of ivory and consumer demand. The Convention on International Trade in Endangered Species of Wild Fauna and Flora, adopted by the United States, banned the international trade of African elephant ivory, and federal laws prohibit the sale of certain classes of ivory. Accordingly, your Committees believe the federal government should enhance its enforcement of federal laws prohibiting the sale of non-antique African elephant ivory.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 197 and recommend its adoption.

Signed by all members of the Committee except Representatives Cachola, Har, Ito, Oshiro and McDermott.

SCRep. 1393-14 Energy & Environmental Protection on H.C.R. No. 241

The purpose of this measure is to urge the Public Utilities Commission to terminate consideration of an interisland high-voltage undersea electric transmission cable system and the construction of industrial-scale wind energy generation facilities on the island of Lanai.

The Council Member of the Maui County Council representing Lanai, Hawaii's Thousand Friends, and numerous individuals supported this measure. The Public Utilities Commission, Life of the Land, the Prairie Voice, Friends of Lanai, and an individual commented on this measure.

Your Committee has amended this measure by:

- (1) Removing the provisions that urge the Public Utilities Commission to end consideration of an inter-island high-voltage undersea electric transmission cable system;
- (2) Amending its title to read: "URGING THE PUBLIC UTILITIES COMMISSION TO END CONSIDERATION OF THE CONSTRUCTION OF INDUSTRIAL WIND FACILITIES ON THE ISLAND OF LANA'I."; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 241, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 241, H.D. 1.

Signed by all members of the Committee except Representatives Hanohano and Fale.

SCRep. 1394-14 Water & Land on H.R. No. 129

The purpose of this measure is to urge the Department of Land and Natural Resources to adopt rules to better manage manta ray dive sites to ensure the safety of ocean users and the maintenance of order at these dive sites.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Ocean Wings Hawaii, Inc.; and one individual.

Your Committee has amended this measure by clarifying that the presence of a variety of recreational and commercial ocean users concentrated at manta ray dive sites creates a potentially dangerous situation.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 129, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 129, H.D. 1.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1395-14 Water & Land on H.C.R. No. 170

The purpose of this measure is to urge the Department of Land and Natural Resources to adopt rules to better manage manta ray dive sites to ensure the safety of ocean users and the maintenance of order at these dive sites.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Ocean Wings Hawaii, Inc.; and two individuals.

Your Committee has amended this measure by clarifying that the presence of a variety of recreational and commercial ocean users concentrated at manta ray dive sites creates a potentially dangerous situation.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 170, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 170, H.D. 1.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1396-14 Water & Land on H.R. No. 191

The purpose of this measure is to resolve the uncertain jurisdictional responsibility for Nahiku Bridge in the Hana district of Maui in order to facilitate needed maintenance of the bridge by urging the Mayor and Council of the County of Maui to adopt and accept jurisdiction over Nahiku Bridge.

No testimony was presented to your Committee on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 191 and recommends its adoption.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1397-14 Water & Land on H.C.R. No. 242

The purpose of this measure is to resolve the uncertain jurisdictional responsibility for Nahiku Bridge in the Hana district of Maui in order to facilitate needed maintenance of the bridge by urging the Mayor and Council of the County of Maui to adopt and accept jurisdiction over Nahiku Bridge.

No testimony was presented to your Committee on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 242 and recommends its adoption.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1398-14 Water & Land on H.C.R. No. 47

The purpose of this measure is to protect Hawaii's native and endemic plant species and watershed forests from invasive pests by expressing support and urging expeditious administrative action by both the United States Department of Agriculture and the state Department of Agriculture to restrict the importation of plant species that host the Puccinia psidii fungus.

The Department of Land and Natural Resources, Office of Hawaiian Affairs, Coordinating Group on Alien Pest Species, Nature Conservancy of Hawai'i, Hawaii Floriculture and Nursery Association, Maui County Farm Bureau, Hawaii Farm Bureau, and two individuals submitted testimony in support of this measure. The Department of Agriculture submitted comments.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 47 and recommends its adoption.

Signed by all members of the Committee except Representative Nishimoto.

SCRep. 1399-14 Water & Land on H.R. No. 26

The purpose of this measure is urge the State Foundation on Culture and the Arts to institute a pilot program for the creation of urban art on State-owned property to mitigate the negative effects of graffiti, promote art, and enhance communities.

Your Committee received testimony in support of this measure from 1,978 "Conventional People" and one individual.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 26 and recommends its adoption.

Signed by all members of the Committee except Representatives Nishimoto and Fale.

SCRep. 1400-14 Water & Land on H.C.R. No. 44

The purpose of this measure is urge the State Foundation on Culture and the Arts to institute a pilot program for the creation of urban art on State-owned property to mitigate the negative effects of graffiti, promote art, and enhance communities.

Your Committee received testimony in support of this measure from 1,978 "Conventional People" and one individual.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 44 and recommends its adoption.

Signed by all members of the Committee except Representatives Nishimoto and Fale.

SCRep. 1401-14 Health on H.R. No. 108

The purpose of this measure is to recognize and honor the late Hawaii Department of Health Director, Loretta Jean "Deliana" Antone Fuddy, for her legacy of promoting the well-being and health of the citizens of Hawaii, as well as to express the Legislature's condolences to her family for their loss.

The Department of Health, United Public Workers, American Medical Response, and an individual testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 108, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 108, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Hashem, Jordan and Oshiro.

SCRep. 1402-14 Health on H.C.R. No. 150

The purpose of this measure is to recognize and honor the late Hawaii Department of Health Director, Loretta Jean "Deliana" Antone Fuddy, for

her legacy of promoting the well-being and health of the citizens of Hawaii, as well as to express the Legislature's condolences to her family for their loss.

The Department of Health, United Public Workers, American Medical Response, and an individual testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 150, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 150, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Hashem, Jordan and Oshiro.

SCRep. 1403-14 Health on H.R. No. 47

The purpose of this measure is to urge the President of the United States and the United States Congress to support House Bill No. 2074, which, contingent upon the receipt of federal funds, authorizes the issuance of general obligation bonds for the construction of a long-term care facility for veterans in the state.

The Department of Defense, Hawaii Health Systems Corporation, Military Officers Association of America, and the Chamber of Commerce of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 47 and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll, Hashem, Jordan and Oshiro.

SCRep. 1404-14 Health on H.C.R. No. 68

The purpose of this measure is to urge the President of the United States and the United States Congress to support House Bill No. 2074, which, contingent upon the receipt of federal funds, authorizes the issuance of general obligation bonds for the construction of a long-term care facility for veterans in the state.

The Department of Defense, Hawaii Health Systems Corporation, Military Officers Association of America, and the Chamber of Commerce of Hawaii testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 68 and recommends its adoption.

Signed by all members of the Committee except Representatives Carroll, Hashem, Jordan and Oshiro.

SCRep. 1405-14 Health on H.R. No. 68

The purpose of this measure, as received by your Committee, is to request the Auditor to conduct an impact assessment report of the social and financial impacts of mandating insurance coverage for rehabilitation therapy services for brain injuries.

For purposes of facilitating public input on this measure, your Committee gave notice of and held a public hearing on a proposed draft of this measure. The proposed draft circulated by your Committee:

- (1) Amends the title of this measure to read: "URGING COMMUNITY AWARENESS OF AMYOTROPHIC LATERAL SCLEROSIS, ALSO KNOWN AS ALS OR LOU GEHRIG'S DISEASE, AND COMMUNITY SUPPORT FOR FINDING A CURE FOR ALS AND THE PROVISION OF ASSISTANCE TO ALS PATIENTS."; and
- (2) Urges community awareness of, and support for, finding a cure for ALS and the provision of assistance to ALS patients; and
- (3) Urges support for the "Walk to Defeat ALS," which is scheduled for Saturday, September 6, 2014 at 11:00 A.M., at Kapiolani Regional Park in Honolulu, Hawaii; and
- (4) Recognizes the ALS Ohana of Hawaii and the ALS Association Golden West Chapter for their efforts to achieve the goal of a Hawaii ALS registry.

Your Committee received testimony on the proposed draft. The ALS Association Golden West Chapter, the ALS Ohana of Hawaii, and several individuals testified in support of this measure. An individual provided comments.

Upon consideration of this measure in the form in which it was received and in the form of the proposed draft, your Committee has adopted the proposed draft and has further amended it by:

- (1) Specifying that the National ALS Registry is primarily administered by the federal Agency for Toxic Substances and Disease Registry, which is in turn a sister agency of the Centers for Disease Control and Prevention; and
- (2) Clarifying that a certified copy of the measure be transmitted to the National ALS Association; and

- (3) Adding the following organizations to receive certified copies of this measure: members of the Hawaii delegation to Congress, the U.S. Department of Veterans Affairs, the Governor of the State of Hawaii, the State Office of Veterans Services, the John A. Burns School of Medicine, the Hawaii Medical Association, the ALS Ohana of Hawaii, the Muscular Dystrophy Association of Hawaii, and the Hawaii Association of Health Plans and its members; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 68, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 68, H.D. 1.

Signed by all members of the Committee except Representatives Carroll, Hashem, Jordan and Oshiro.

SCRep. 1406-14 Consumer Protection & Commerce on H.R. No. 16

The purpose of this measure is to protect consumers through the establishment and use of identify theft-resistant credit cards.

Specifically, this measure urges:

- (1) The United States Congress and the Hawaii State Legislature to adopt legislation; and
- (2) Hawaii financial institutions and businesses to adopt policies and procedures, for the use of identity theft-resistant credit cards.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs, the City and County of Honolulu Police Department, and one individual. The Hawaii Bankers Association and Hawaii Financial Services Association submitted comments on the measure.

Your Committee believes that identity theft is a serious crime with lasting repercussions for victims. Your Committee finds that identity theft-resistant credit cards will help to reduce credit card fraud and the victimization of Hawaii's consumers. In addition, your Committee notes that Hawaii State Federal Credit Union is one of the first financial institutions to implement credit card encryption technology.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 16 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1407-14 Consumer Protection & Commerce on H.C.R. No. 32

The purpose of this measure is to protect consumers through the establishment and use of identify theft-resistant credit cards.

Specifically, this measure urges:

- (1) The United States Congress and the Hawaii State Legislature to adopt legislation; and
- (2) Hawaii financial institutions and businesses to adopt policies and procedures, for the use of identity theft-resistant credit cards.

Your Committee received testimony in support of this measure from the Office of Consumer Protection of the Department of Commerce and Consumer Affairs and one individual. The Hawaii Bankers Association and Hawaii Financial Services Association submitted comments on the measure.

Your Committee believes that identity theft is a serious crime with lasting repercussions for victims. Your Committee finds that identity theft-resistant credit cards will help to reduce credit card fraud and the victimization of Hawaii's consumers. In addition, your Committee notes that Hawaii State Federal Credit Union is one of the first financial institutions to implement credit card encryption technology.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 32 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1408-14 Consumer Protection & Commerce on H.R. No. 167

The purpose of this measure is to achieve greater food security in the State by offsetting the energy costs for food producers in Hawaii.

The Public Utilities Commission and one individual testified in support of this measure. The Department of Agriculture and the Local Food Coalition supported this measure with amendments.

Your Committee has amended this measure by clarifying that the resolution applies to all agricultural activities, especially those activities involving the production of food for local consumption and amending the title of the resolution to conform to these changes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 167, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 167, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1409-14 Consumer Protection & Commerce on H.C.R. No. 212

The purpose of this measure is to achieve greater food security in the State by offsetting the energy costs for food producers in Hawaii.

The Public Utilities Commission and one individual testified in support of this measure. The Department of Agriculture and the Local Food Coalition supported this measure with amendments.

Your Committee has amended this measure by clarifying that the resolution applies to all agricultural activities, especially those activities involving the production of food for local consumption and amending the title of the resolution to conform to these changes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 212, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 212, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1410-14 Consumer Protection & Commerce on H.R. No. 81

The purpose of this measure is to address the development and implementation of future State telecommunication infrastructure by requesting the Director of Business, Economic Development, and Tourism to establish a working group to develop standard provisions to be included in contractual agreements for the use of state public lands for communication and telecommunication hardware devices.

The Department of Business, Economic Development, and Tourism and the Department of Land and Natural Resources provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the house resolution only applies to "wireless" telecommunications.
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 81, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 81, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1411-14 Consumer Protection & Commerce on H.C.R. No. 110

The purpose of this measure is to address the development and implementation of future State telecommunication infrastructure by requesting the Director of Business, Economic Development, and Tourism to establish a working group to develop standard provisions to be included in contractual agreements for the use of state public lands for communication and telecommunication hardware devices.

The Department of Business, Economic Development, and Tourism and the Department of Land and Natural Resources provided comments on this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the house concurrent resolution only applies to "wireless" telecommunications.
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 110, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 110, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1412-14 Consumer Protection & Commerce on H.C.R. No. 40

The purpose of this measure is to formally recognize and designate the Hawaii Health Information Exchange as the only fully operational, statewide health information exchange in the State.

Your Committee received testimony in support of this measure from the Office of the Governor, Department of Health, Department of Commerce and Consumer Affairs, Hawaii Health Information Corporation, Hawaii Health Information Exchange, Hawaii Pacific Health, Kaiser Permanente, Hawaii Medical Service Association, and one individual.

Your Committee finds the Hawaii Health Information Exchange is a 501(c)(3) non-profit organization established in 2006 by Hawaii's leading health care stakeholders. Your Committee further finds that the Hawaii Health Information Exchange continues to successfully fulfill its mission of improving health care delivery across the State through a seamless, effective, safe, and secure health information exchange.

Your Committee also notes that this measure applies to the Hawaii Health Information Exchange and not the state-based exchange mandated under the federal Patient Protection and Affordable Care Act.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 40 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1413-14 Consumer Protection & Commerce on H.R. No. 64

The purpose of this measure is to request the Department of Health to establish a working group to explore strategies and develop recommendations that will allow dogs to be welcomed in participating restaurants and bars while ensuring the health and safety of both humans and animals.

The Department of Health, the Disability and Communication Access Board, Hawaiian Humane Society, and several individuals supported this measure. An individual commented on this measure.

Your Committees have amended this measure by:

- (1) Including the Executive Director of the Hawaii Disability Rights Center on the working group;
- (2) Adding the Hawaii Humane Society as the entity that convenes the working group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 64, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 64, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1414-14 Consumer Protection & Commerce on H.C.R. No. 89

The purpose of this measure is to request the Department of Health to establish a working group to explore strategies and develop recommendations that will allow dogs to be welcomed in participating restaurants and bars while ensuring the health and safety of both humans and animals.

The Department of Health, the Disability and Communication Access Board, Hawaiian Humane Society, and several individuals supported this measure. An individual commented on this measure.

Your Committees have amended this measure by:

- (1) Including the Executive Director of the Hawaii Disability Rights Center on the working group;
- (2) Adding the Hawaii Humane Society as the entity that convenes the working group; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 89, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 89, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1415-14 Consumer Protection & Commerce on H.C.R. No. 16

The purpose and intent of this measure is to request the Department of Health to establish a task force to study the potential benefits of teledentistry for vulnerable and underserved populations in the State, including access to dental care and cost effectiveness, and identify any barriers to the practice of teledentistry in the State.

The Department of Health, the Office of the Governor, and the State Council on Developmental Disabilities provided testimony in support of this measure.

Your Committee finds that teledentistry can be an effective way to improve access to oral health care for vulnerable and underserved populations. Furthermore, Hawaii's unique geographic barriers provide an ideal setting for the use of teledentistry to inform practicing oral health care professionals of the latest technological advancements and innovations in their respective fields. Your Committee believes that this measure will provide the necessary insight and analysis of the benefits, effectiveness, and feasibility of the practice of teledentistry in Hawaii and allow for greater access to oral health care.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 16, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1416-14 Consumer Protection & Commerce on H.C.R. No. 66

The purpose of this measure is to request the Auditor, pursuant to section 26H-6, Hawaii Revised Statutes, to conduct a sunrise review of the regulation of veterinary technicians and the practice of veterinary technology, as proposed under Senate Bill No. 2502, S.D. 1 (2014).

The measure also requests the Auditor to submit findings and recommendations, including any proposed legislation, to the Legislature prior to the convening of the Regular Session of 2015.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, the Hawaii Veterinary Medical Association, the Board of Veterinary Examiners, and one individual provided testimony in support of this measure.

Senate Bill No. 2502, S.D. 1 (2014), proposes to establish requirements for the regulation of veterinary technicians and the practice of veterinary technology, which are currently unregulated. Your Committee believes that the establishment of registration requirements and regulations for veterinary technicians in Hawaii would improve the level of care of animals in the State.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 66 and recommends its adoption.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1417-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 59

The purpose of this measure is to honor and share Hawaiian knowledge in, and practices of, natural resource management by urging the State and state entities to support the Hokule'a and her crew as they journey around the world, visiting 26 countries and 85 ports, to raise awareness of the importance of ocean protection for the survival of life on Earth.

The Hawaiian Educational Council, Association of Hawaiian Civic Clubs, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 59 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1418-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 84

The purpose of this measure is to honor and share Hawaiian knowledge in, and practices of, natural resource management by urging the State and state entities to support the Hokule'a and her crew as they journey around the world, visiting 26 countries and 85 ports, to raise awareness of the importance of ocean protection for the survival of life on Earth.

The Hawaiian Educational Council, Association of Hawaiian Civic Clubs, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 84 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1419-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 60

The purpose of this measure is to recognize Hokule'a's worldwide voyage to raise awareness of the issues confronting Hawaii's shorelines, reefs, and deep waters, while honoring and sharing Hawaiian knowledge and practices of natural resource management by urging the Governor to proclaim 2014 as the Year of the Worldwide Voyage.

The Hawaiian Educational Council, Malama Honua Learning Center, Association of Hawaiian Civic Clubs, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 60 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1420-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 85

The purpose of this measure is to recognize Hokule'a's worldwide voyage to raise awareness of the issues confronting Hawaii's shorelines, reefs, and deep waters, while honoring and sharing Hawaiian knowledge and practices of natural resource management by urging the Governor to proclaim 2014 as the Year of the Worldwide Voyage.

The Hawaiian Educational Council, Malama Honua Learning Center, Association of Hawaiian Civic Clubs, and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 85 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1421-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 165

The purpose of this measure is to better protect the State's social and economic interests by requesting Facebook to assist the State of Hawaii in correcting inaccurate place names and location information that are perpetuated and widely-distributed on Facebook pages.

Kailua General Store and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 165 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1422-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 210

The purpose of this measure is to better protect the State's social and economic interests by requesting Facebook to assist the State of Hawaii in correcting inaccurate place names and location information that are perpetuated and widely-distributed on Facebook pages.

Kailua General Store and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 210 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1423-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 99

The purpose of this measure is to recognize the unique role Hawaii played in the first lunar landing by honoring the forty-fifth anniversary of the Apollo 11 lunar landing at Tranquility Base through the designation of July 20, 2014, as "Tranquility Base Day" in Hawaii and the urging of the United Nations Educational, Scientific, and Cultural Organization to include Tranquility Base and associated artifacts on the World Heritage List.

The Department of Business, Economic Development, and Tourism and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 99 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1424-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 138

The purpose of this measure is to recognize the unique role Hawaii played in the first lunar landing by honoring the forty-fifth anniversary of the Apollo 11 lunar landing at Tranquility Base through the designation of July 20, 2014, as "Tranquility Base Day" in Hawaii and the urging of the United Nations Educational, Scientific, and Cultural Organization to include Tranquility Base and associated artifacts on the World Heritage List.

The Department of Business, Economic Development, and Tourism and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 138 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1425-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 83

The purpose of this measure is to highlight and seek resolution of the chronic and unacceptable problem of sexual assault in the military by encouraging female members of the United States Senate to reform the military investigatory and prosecutorial systems governing sexual assault.

The Advisory Board to the Office of Veterans' Services and Planned Parenthood of Hawaii testified in support of this measure. The Office of Veterans Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 83 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1426-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 113

The purpose of this measure is to highlight and seek resolution of the chronic and unacceptable problem of sexual assault in the military by encouraging female members of the United States Senate to reform the military investigatory and prosecutorial systems governing sexual assault.

The Advisory Board to the Office of Veterans' Services and Planned Parenthood of Hawaii testified in support of this measure. The Office of Veterans Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 113 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1427-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 195

The purpose of this measure is to honor the deceased men and women who served in the Armed Services of the United States and properly mark their final resting places by urging the United States Congress and Department of Veterans Affairs to allow a third party with appropriate documentation to order a government headstone for the unmarked grave of a veteran.

The Advisory Board to the Office of Veterans' Services testified in support of this measure. The Office of Veterans Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 195 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1428-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 246

The purpose of this measure is to honor the deceased men and women who served in the Armed Services of the United States and properly mark their final resting places by urging the United States Congress and Department of Veterans Affairs to allow a third party with appropriate documentation to order a government headstone for the unmarked grave of a veteran.

The Advisory Board to the Office of Veterans' Services testified in support of this measure. The Office of Veterans Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 246 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1429-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 196

The purpose of this measure is to assist veterans who participated in radiation-risk activities during active service and were involved in the cleanup of the United States nuclear test site on Lojwa Island in the northern half of the Enewetak Atoll from 1977 to 1980, by urging the United States Congress and the United States Department of Veterans Affairs to include these veterans within the definition of "Atomic Veteran", thereby making them eligible to receive compensation and health care benefits from the United States government.

The Advisory Board to the Office of Veterans' Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 196 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1430-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 247

The purpose of this measure is to assist veterans who participated in radiation-risk activities during active service and were involved in the cleanup of the United States nuclear test site on Lojwa Island in the northern half of the Enewetak Atoll from 1977 to 1980, by urging the United States Congress and the United States Department of Veterans Affairs to include these veterans within the definition of "Atomic Veteran", thereby making them eligible to receive compensation and health care benefits from the United States government.

The Advisory Board to the Office of Veterans' Services testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 247 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1431-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.R. No. 194

The purpose of this measure is to provide leadership and advocacy to secure, protect, and promote human rights for all people by designating Hawai'i as a Human Rights State and recognizing March as Human Rights Month in Hawai'i.

Global HOPE and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 194 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1432-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 245

The purpose of this measure is to provide leadership and advocacy to secure, protect, and promote human rights for all people by designating Hawai'i as a Human Rights State and recognizing March as Human Rights Month in Hawai'i.

Global HOPE and a concerned individual testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 245 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1433-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 61

The purpose of this measure is to prevent the unnecessary loss of human life by urging the United States government to place a moratorium on the development, production, deployment, and use of lethal autonomous robotics and encourage other nations to do the same until an internationally agreed upon framework on the future of autonomous robotics has been established.

Mines Action Canada and a concerned individual testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for purpose of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 61, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 61, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1434-14 Veterans, Military, & International Affairs, & Culture and the Arts on H.C.R. No. 92

The purpose of this measure is to support and promote the first annual Localicious Hawaii campaign in March 2014 that recognizes local restaurants that are committed to buying local while raising funds to support future farmers in Hawaii by declaring March to be "Localicious Hawaii Month".

The Department of Agriculture, Hawaii Agricultural Foundation, and Hawaii Farm Bureau testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the goal of Localicious Hawaii is to raise awareness for Hawaii Agricultural Foundation's Ag in the Classroom Veggie U Program, rather than \$50,000 for the Program; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 92, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 92, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1435-14 Finance on H.C.R. No. 78

The purpose of this measure is to support mandatory kindergarten.

Your Committee distributed a proposed draft of this measure in order to conduct a public hearing on its substance. As proposed, this concurrent resolution requests the Department of Health to convene a caregivers working group to examine and assess the role of caregiving for patients released from hospitals, and the overall circumstances of patients released from hospitals as well as the resources in the community needed and available to assist them.

The Councilmember of Honolulu District 5, Department of Health, Executive Office on Aging, American Association of Retired Persons,

Healthcare Association of Hawaii, Hawaii Pacific Health, Hawaii Family Caregiver Coalition, The Queen's Health Systems, International Longshore and Warehouse Union, Cancer Action Network, Maui County Office on Aging, and several individuals submitted testimony in support of this measure. The Alzheimer's Association, Aloha Chapter and Policy Advisory Board on Elderly Affairs provided comments.

Your Committee has amended this concurrent resolution by:

- (1) Replacing its contents with the provisions of the proposed draft, that would convene a family caregivers working group to examine and assess the role of caregiving for patients released from hospitals;
- (2) Expanding the list of participants in the working group to include the Governor, Members of the Legislature, Healthcare Association of Hawaii, Oahu hospitals, Hawaii Health Systems Corporation facilities, Kokua Mau, Hospice Hawaii, and Hawaii Long Term Care Association;
- (3) Clarifying that the scope of the working group includes issues encompassed in Senate Bill 2264, 2014 Regular Session;
- (4) Amending its title to read: "REQUESTING THE DEPARTMENT OF HEALTH TO CONVENE A FAMILY CAREGIVERS WORKING GROUP TO EXAMINE AND ASSESS THE ROLE OF CAREGIVING FOR PATIENTS RELEASED FROM HOSPITALS AND THE OVERALL CIRCUMSTANCES OF PATIENTS RELEASED FROM HOSPITALS AS WELL AS THE RESOURCES IN THE COMMUNITY NEEDED AND AVAILABLE TO ASSIST THEM."; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 78, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 78, H.D. 1.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1436-14 Finance on H.R. No. 63

The purpose of this measure is to encourage the Contractor's License Board to reconsider its October 18, 2013, final order and follow legislative intent and the Hawaii Supreme Court's ruling that the "incidental and supplemental" exception for specialty contractors to complete work for which they are unlicensed is very limited in scope.

Testimony in support of this measure was received by the International Union of Painters, Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund, Hawaii Glaziers, Architectural Metal Glass Workers Local Union 1889 AFL-CIO Stabilization Fund, Painting Industry of Hawaii Labor Management Cooperation Trust Fund, Hawaii Tapers Market Recovery Trust Fund, and the Subcontractors Association of Hawaii. The Contractors License Board, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii Regional Council of Carpenters, Building Industry Association, Laborers' International Union of North America, HPS Construction Services, Ltd., BKA Builders, Inc., Universal Construction, Inc., Graham Builders, Inc., General Contractors Association of Hawaii, and an individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 63 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Hashem, Jordan, Tokioka and Woodson.

SCRep. 1437-14 Finance on H.C.R. No. 88

The purpose of this measure is to encourage the Contractor's License Board to reconsider its October 18, 2013, final order and follow legislative intent and the Hawaii Supreme Court's ruling that the "incidental and supplemental" exception for specialty contractors to complete work for which they are unlicensed is very limited in scope.

Testimony in support of this measure was received by the International Union of Painters, Carpet Linoleum and Soft Tile Local Union 1926 Market Recovery Trust Fund, Hawaii Glaziers, Architectural Metal Glass Workers Local Union 1889 AFL-CIO Stabilization Fund, Painting Industry of Hawaii Labor Management Cooperation Trust Fund, Hawaii Tapers Market Recovery Trust Fund, and the Subcontractors Association of Hawaii. The Contractors License Board, Hawaii Laborers-Employers Cooperation and Education Trust, Hawaii Regional Council of Carpenters, Building Industry Association, Laborers' International Union of North America, HPS Construction Services, Ltd., BKA Builders, Inc., Universal Construction, Inc., Graham Builders, Inc., General Contractors Association of Hawaii, and an individual opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 88 and recommends its adoption.

Signed by all members of the Committee except Representatives Cullen, Hashem, Jordan, Tokioka and Woodson.

SCRep. 1438-14 Finance on H.C.R. No. 121

The purpose of this measure is to request a feasibility study on the attachment of the Office of Information Practices on a permanent basis to the Department of Accounting and General Services.

Testimony in support of this measure was submitted by the Department of Accounting and General Services and the Office of Information Practices. The Legislative Reference Bureau provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 121 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1439-14 Finance on H.C.R. No. 136

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement, covering a portion of state submerged lands at Waiohuli-Keokea Homesteads, Kihei, Maui, for seawall and rock revetment purposes.

Testimony in support of this measure was submitted by the Department of Land and Natural Resources.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 136 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1440-14 Finance on H.R. No. 136

The purpose of this measure is to urge the Office of Elections to increase the number of early walk-in voting locations.

Testimony in support of this measures was submitted by the Council Member of District IV in the City and County of Honolulu, Associated Students of the University of Hawaii, Maui County Democrats, and an individual. The Office of Elections provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 136 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1441-14 Finance on H.C.R. No. 178

The purpose of this measure is to urge the Office of Elections to increase the number of early walk-in voting locations.

Testimony in support of this measures was submitted by the Council Member of District IV in the City and County of Honolulu, Associated Students of the University of Hawaii, Maui County Democrats, and an individual. The Office of Elections provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 178 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1442-14 Finance on H.C.R. No. 200

The purpose of this measure is to request the Department of Accounting and General Services and the State Foundation on Culture and the Arts to place a peace pole sculpture near the Katsu Goto Memorial and recognize the efforts of the community of Honoka'a, the Honoka'a Peace Committee, and the importance of commemorating peace day.

Testimony in support of this measure was submitted by the Department of Accounting and General Services, United Nations Association, and several individuals. The State Foundation on Culture and the Arts provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 200 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1443-14 Finance on H.R. No. 185

The purpose of this measure is to request that the University of Hawaii expand the Osher Lifelong Learning Institute to include all of the campuses within the University of Hawaii system.

The University of Hawaii provided comments regarding this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 185 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1444-14 Finance on H.C.R. No. 235

The purpose of this measure is to request that the University of Hawaii expand the Osher Lifelong Learning Institute to include all of the campuses within the University of Hawaii system.

The University of Hawaii provided comments regarding this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 235 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1445-14 Finance on H.R. No. 70

The purpose of this measure is to urge The Department of Land and Natural Resources to find a short-term solution to provide parking and security personnel for the Maunawili Falls trailhead.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 70, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1446-14 Finance on H.C.R. No. 96

The purpose of this measure is to urge The Department of Land and Natural Resources to find a short-term solution to provide parking and security personnel for the Maunawili Falls trailhead.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 96, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1447-14 Finance on H.R. No. 71

The purpose of this measure is to request an audit of the Hawaii Community Development Authority's method and process for determining impact on and adequacy of infrastructure facilities for development projects in a community development district and the role of The City and County of Honolulu in that determination.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 71, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1448-14 Finance on H.C.R. No. 97

The purpose of this measure is to request an audit of the Hawaii Community Development Authority's method and process for determining impact on and adequacy of infrastructure facilities for development projects in a community development district and the role of The City and County of Honolulu in that determination.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 97, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1449-14 Finance on H.R. No. 74

The purpose of this measure is to request the auditor to assess the social and financial effects of requiring health insurers to provide coverage for medically necessary treatment of orofacial anomalies.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 74 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1450-14 Finance on H.C.R. No. 100

The purpose of this measure is to request the auditor to assess the social and financial effects of requiring health insurers to provide coverage for

medically necessary treatment of orofacial anomalies.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 100 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1451-14 Finance on H.C.R. No. 112

The purpose of this measure is to urge the Department of Hawaiian Home Lands to submit a report to the Legislature regarding its policy to develop rental properties for occupancy by its beneficiaries and ensure that beneficiaries maintain their placement on the waitlist for homestead leases while residing in a department rental.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 112 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1452-14 Finance on H.C.R. No. 116

The purpose of this measure is to request The Hawaii Access to Justice Commission to convene a working group to develop an educational loan repayment program for William S. Richardson School of Law graduates to expand opportunities to pursue public interest careers in Hawaii that directly serve underserved communities.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 116 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1453-14 Finance on H.R. No. 91

The purpose of this measure is to request the Department of Health to adopt administrative rules to regulate noise pollution from household or residential sources.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 91 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1454-14 Finance on H.C.R. No. 126

The purpose of this measure is to request the Department of Health to adopt administrative rules to regulate noise pollution from household or residential sources.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 126 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1455-14 Finance on H.R. No. 186

The purpose of this measure is to request the Department of Health to conduct a study on the long-standing cultural Hawaiian practice of sun-drying fish and to determine what can be done to preserve this cultural practice while protecting the public's health.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 186 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1456-14 Finance on H.R. No. 188

The purpose of this measure is to request the Superintendent of Education and the Director of Health to form a working group to assess whether children in Hawaii who are Deaf or Severely Hard of Hearing and who choose the Aural/Oral route of communication receive proper training and support to learn spoken language skills.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 188 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1457-14 Finance on H.C.R. No. 238

The purpose of this measure is to request the Superintendent of Education and the Director of Health to form a working group to assess whether children in Hawaii who are Deaf or Severely Hard of Hearing and who choose the Aural/Oral route of communication receive proper training and support to learn spoken language skills.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 238 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1458-14 Finance on H.C.R. No. 239

The purpose of this measure to request the Hawaii Health Systems Corporation to itemize medical bills for patients and to adopt and implement a uniform grievance procedure for the resolutions of complaints relating to medical bills.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 239 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1459-14 Finance on H.C.R. No. 131

The purpose of this measure is to request various government entities, private sector housing developers, and community organizations to collaborate and produce a comprehensive statewide housing plan.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 131, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1460-14 Finance on H.C.R. No. 134

The purpose of this measure is to encourage The Department of Public Safety to enter into a public-private partnership agreement for the planning, design, construction, turnkey, and financing of expanded, renovated, or new correctional facilities statewide.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 134, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1461-14 Finance on H.R. No. 98

The purpose of this measure is to urge the Department of Health to consider the charging of reasonable licensing fees to healthcare facilities.

Your Committee has amended the title of this measure to match its companion, House Concurrent Resolution 135, H.D.1, which reads as: "URGING THE DEPARTMENT OF HEALTH TO CONSIDER THE CHARGING OF REASONABLE LICENSING FEES TO HEALTHCARE FACILITIES."

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 98, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 98, H.D. 2.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1462-14 Finance on H.C.R. No. 135

The purpose of this measure is to urge The Department of Health to consider the charging of reasonable licensing fees to healthcare facilities.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 135, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1463-14 Finance on H.C.R. No. 140

The purpose of this measure is to request The Director of Human Services to rebase the basic prospective payment system rates for intermediate care facilities for individuals with intellectual disabilities that serve Medicaid recipients to be effective July 1, 2015, and The Director of Health to include

sufficient funding to cover any increase in basic payment system rates resulting from rebasing in its 2015-2017 biennium budget.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 140 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1464-14 Finance on H.C.R. No. 141

The purpose of this measure is to urge the development of an action plan to mitigate immediate and future critical shortages of physicians in the State of Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 141 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1465-14 Finance on H.R. No. 102

The purpose of this measure is to request the state Attorney General to convene an anti-graffiti task force to develop recommendations that address education and prevention, enforcement, community involvement, legislation, and graffiti removal.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 102, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1466-14 Finance on H.C.R. No. 144

The purpose of this measure is to request the state Attorney General to convene an anti-graffiti task force to develop recommendations that address education and prevention, enforcement, community involvement, legislation, and graffiti removal.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 144, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1467-14 Finance on H.R. No. 107

The purpose of this measure is to request the auditor to assess the social and financial effects of requiring health insurance coverage for medical services for women with dense breast tissue.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 107 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1468-14 Finance on H.C.R. No. 149

The purpose of this measure is to request the auditor to assess the social and financial effects of requiring health insurance coverage for medical services for women with dense breast tissue.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 149 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1469-14 Finance on H.C.R. No. 14

The purpose of this measure is to authorize the issuance of a lease and easement of certain submerged lands at Manele Bay, Lana'i, to Lana'i Resorts, LLC.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 14 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1470-14 Finance on H.C.R. No. 31

The purpose of this measure is to request the Department of Health to conduct a study of the best management practices in adult care homes.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 31, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1471-14 Finance on H.C.R. No. 34

The purpose of this measure is to request that the Department of Accounting and General Services work with the Hawaii Emergency Medical Services Association and other relevant organizations to plan and construct the Hawaii Emergency Responders Memorial.

Your Committee has amended this measure by deleting the specified location suggested as the site of the memorial.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 34, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 34, H.D. 2.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1472-14 Finance on H.C.R. No. 65

The purpose of this measure is to request the Department of Land and Natural Resources to establish a task force to assist with the development of rules to ensure greater protection of the state's ocean resources.

Your Committee has amended this measure by removing the 2016 and 2017 reporting dates required of the task force.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 65, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 65, H.D. 1.

Signed by all members of the Committee except Representatives Hashem and Woodson.
(Representative Lowen voted no.)

SCRep. 1473-14 Finance on H.R. No. 56

The purpose of this measure is to request that The Board of Education provide more transparency in its meetings.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 56 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1474-14 Finance on H.C.R. No. 82

The purpose of this measure is to request that The Board of Education provide more transparency in its meetings.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 82 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1475-14 Finance on H.R. No. 69

The purpose of this measure is to request a study on the feasibility of dividing The Department of Education into two or more local educational agencies and the effects of such a division on the state's public education system.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 69 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1476-14 Finance on H.C.R. No. 95

The purpose of this measure is to request a study on the feasibility of dividing The Department of Education into two or more local educational agencies and the effects of such a division on the state's public education system.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 95 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1477-14 Finance on H.C.R. No. 167

The purpose of this measure is to establish a task force to plan and coordinate the celebration of the fiftieth anniversary of the State Foundation on Culture and the Arts.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 167 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1478-14 Finance on H.R. No. 160

The purpose of this measure requesting the Hawaii Health Systems Corporation and its regional boards to submit plans and recommendations for reducing its operating deficits.

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

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1479-14 Finance on H.C.R. No. 203

The purpose of this measure is to request the Hawaii Health Systems Corporation and its regional boards to submit plans and recommendations for reducing its operating deficits.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 203 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1480-14 Finance on H.C.R. No. 207

The purpose of this measure is to request an examination and audit of the advance disposal fee program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 207, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1481-14 Finance on H.R. No. 174

The purpose of this measure is to request a study on the cost of establishing public preschool under the Department of Education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 174 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1482-14 Finance on H.C.R. No. 222

The purpose of this measure is to request a study on the cost of establishing public preschool under the Department of Education.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 222 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1483-14 Finance on H.C.R. No. 228

The purpose of this measure is to request the Department of Land and Natural Resources to conduct a study on the existence of sandalwood on the major Hawaiian Islands.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 228 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1484-14 Finance on H.R. No. 180

The purpose of this measure to request the Department of Land and Natural Resources to conduct an Opihi management study.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 180 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1485-14 Finance on H.C.R. No. 229

The purpose of this measure is to request the Department of Land and Natural Resources to conduct an Opihi management study.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 229 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1486-14 Finance on H.C.R. No. 236

The purpose of this measure to request the Department of Health to conduct a study on the long-standing cultural Hawaiian practice of sun-drying fish and to determine what can be done to preserve this cultural practice while protecting the public's health.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 236 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1487-14 Finance on H.R. No. 118

The purpose of this measure is to urge Hawaii's congressional delegation to introduce federal legislation to provide the Department of Hawaiian Home Lands with funding for its homestead program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 118 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1488-14 Finance on H.C.R. No. 157

The purpose of this measure is to urge Hawaii's congressional delegation to introduce federal legislation to provide the Department of Hawaiian Home Lands with funding for its homestead program.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 157 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1489-14 Finance on H.R. No. 119

The purpose of this measure is to urge members of Hawaii's congressional delegation to introduce federal legislation to provide the Kahoolawe Island Reserve Commission with funding for the long-term restoration of Kahoolawe.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 119 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1490-14 Finance on H.C.R. No. 158

The purpose of this measure is to urge members of Hawaii's Congressional Delegation to introduce federal legislation to provide the Kahoolawe

island reserve commission with funding for the long-term restoration of Kahoolawe.

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

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1491-14 Finance on H.R. No. 126

The purpose of this measure is to request the University of Hawaii and Department of Labor and Industrial Relations to conduct a review, by county, of the state's workforce requirements for professional and paraprofessional elder care partners for the next decade in order to address the need for care of Hawaii's rapidly growing elderly population

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 126 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1492-14 Finance on H.C.R. No. 166

The purpose of this measure is to request the University of Hawaii and Department of Labor and Industrial Relations to conduct a review, by county, of the state's workforce requirements for professional and paraprofessional elder care partners for the next decade in order to address the need for care of Hawaii's rapidly growing elderly population.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 166 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1493-14 Finance on H.R. No. 134

The purpose of this measure is to request the state procurement office to conduct a study on the feasibility, necessary processes, and costs relative to requiring the consideration of past performance as a factor in awarding public contracts, including low bid contracts.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 134 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1494-14 Finance on H.C.R. No. 176

The purpose of this measure is to request the state procurement office to conduct a study on the feasibility, necessary processes, and costs relative to requiring the consideration of past performance as a factor in awarding public contracts, including low bid contracts.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 176 and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1495-14 Finance on H.R. No. 159

The purpose of this measure is to request the convening of a working group to recommend ways to reduce incidents of sepsis and sepsis deaths in the state.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 159, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1496-14 Finance on H.C.R. No. 202

The purpose of this measure is to request the convening of a working group to recommend ways to reduce incidents of sepsis and sepsis deaths in the state.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 202, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representatives Hashem and Woodson.

SCRep. 1497-14 Energy & Environmental Protection on H.C.R. No. 106

The purpose of this measure is to urge the State to renew its commitment to clean energy by working with the U.S. Department of Energy and Hawaii Hydrogen Initiative to implement hydrogen-based energy infrastructure throughout the State.

The Hawaii Center of Advanced Transportation Technologies; Hawaii Automotive Dealers Association; and a concerned individual testified in support of this measure. Life of the Land commented on this measure.

Your Committee has amended this measure by:

- (1) Including the exploration of public-private partnerships for unused state land as one method of encouraging hydrogen infrastructure development;
- (2) Encouraging the High Technology Development Corporation to issue a request for proposals for one or more private entities to partner with one or more state agencies to establish a hydrogen production facility on state land in each of any two counties to utilize renewable feedstock and renewable energy to produce hydrogen as fuel for hydrogen fuel cell vehicles operated in the State; provided that:
 - (A) The private entity or entities build and operate the hydrogen production facilities at their own expense; and
 - (B) The agreement should allow for decreased rent or other incentives to the private entity or entities in trade for hydrogen as fuel for hydrogen operated state vehicles;
- (3) Having certified copies of this measure transmitted to each county council; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 106, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 106, H.D. 1.

Signed by all members of the Committee.

SCRep. 1498-14 Energy & Environmental Protection on H.R. No. 32

The purpose of this measure is to request the Public Utilities Commission and the Department of Business, Economic Development, and Tourism to collaborate on developing a forecasting program using moneys from the Public Benefit Fund and other sources to align efficiency efforts and the growth of renewable energy with technological innovation that may increase energy demand.

The Public Utilities Commission and the Department of Business, Economic Development, and Tourism commented on this measure.

Your Committee has amended this measure by:

- (1) Removing provisions relating to the Public Benefit Fund and the submission of a report to the Legislature on the development of a forecasting program to align efficiency efforts and the growth of renewable energy with technology and innovation that may increase energy demand;
- (2) Inserting provisions encouraging the Public Utilities Commission and the Department of Business, Economic Development, and Tourism to continue their energy adaptation efforts to address the changes of wireless communications technology on energy consumption and demand;
- (3) Amending its title to read: "ENCOURAGING THE PUBLIC UTILITIES COMMISSION AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONTINUE ENERGY ADAPTATION EFFORTS TO ADDRESS PLANNING AND EFFICIENCY AS WIRELESS COMMUNICATIONS AND MOBILE ELECTRONIC DEVICES ALTER ENERGY CONSUMPTION AND DEMAND."; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 32, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 32, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Nishimoto.
(Representative Say voted no.)

SCRep. 1499-14 Energy & Environmental Protection on H.C.R. No. 49

The purpose of this measure is to request the Public Utilities Commission and the Department of Business, Economic Development, and Tourism to collaborate on developing a forecasting program using moneys from the Public Benefit Fund and other sources to align efficiency efforts and the growth of renewable energy with technological innovation that may increase energy demand.

The Public Utilities Commission and the Department of Business, Economic Development, and Tourism commented on this measure.

Your Committee has amended this measure by:

- (1) Removing provisions relating to the Public Benefit Fund and the submission of a report to the Legislature on the development of a forecasting program to align efficiency efforts and the growth of renewable energy with technology and innovation that may increase energy demand;
- (2) Inserting provisions encouraging the Public Utilities Commission and the Department of Business, Economic Development, and Tourism to continue their energy adaptation efforts to address the changes of wireless communications technology on energy consumption and demand;
- (3) Amending its title to read: "ENCOURAGING THE PUBLIC UTILITIES COMMISSION AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONTINUE ENERGY ADAPTATION EFFORTS TO ADDRESS PLANNING AND EFFICIENCY AS WIRELESS COMMUNICATIONS AND MOBILE ELECTRONIC DEVICES ALTER ENERGY CONSUMPTION AND DEMAND."; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 49, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 49, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Nishimoto.
(Representative Say voted no.)

SCRep. 1500-14 Energy & Environmental Protection on H.C.R. No. 27

The purpose of this measure is to request the City and County of Honolulu to develop and implement a program to increase public awareness of the importance of recycling household batteries and compact fluorescent light bulbs, and to establish convenient centers for the collection and recycling of household batteries, compact fluorescent light bulbs, and other hazardous materials.

An individual supported this measure. The Department of Environmental Services of the City and County of Honolulu opposed this measure. The National Electrical Manufacturers Association commented on this measure.

Your Committee has amended this measure by:

- (1) Requesting the City and County of Honolulu to continue efforts to increase public awareness on the importance of recycling household batteries and compact fluorescent light bulbs rather than develop and implement public awareness programs;
- (2) Removing references to heavy metals contained within household batteries;
- (3) Removing the provisions that require the City and County of Honolulu to establish drop-off sites for the collection and recycling of batteries, compact fluorescent light bulbs, and other household hazardous materials;
- (4) Amending its title to read: "REQUESTING THE CITY AND COUNTY OF HONOLULU TO CONTINUE EFFORTS TO INCREASE PUBLIC AWARENESS ON THE IMPORTANCE OF RECYCLING HOUSEHOLD BATTERIES AND COMPACT FLUORESCENT LIGHT BULBS."; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 27, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 27, H.D. 1.

Signed by all members of the Committee except Representatives Cullen, Kawakami and Nishimoto.

SCRep. 1501-14 Consumer Protection & Commerce on S.B. No. 3074

The purpose of this measure is to amend the definition of "hotel" in the liquor licensing law by deleting the requirement that, in order to qualify for a hotel class liquor license, a hotel must have a kitchen and dining room where meals are regularly prepared and served to hotel guests and other customers.

The Liquor Commission of the City and County of Honolulu, the Hawaii Lodging and Tourism Association, and the Outrigger Enterprises Group provided testimony in support of this measure.

Your Committee finds that the hotel industry has undergone recent changes and many modern hotels no longer include a kitchen and dining room where meals are regularly prepared and served to hotel guests and other customers. Therefore, these newer hotels do not qualify for a hotel class liquor license under the existing law. Your Committee believes that this measure will conform legal requirements to modern business practices and allow smaller hotels to experience growth similar to that of their larger counterparts.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3074 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1502-14 Consumer Protection & Commerce on S.B. No. 2818

The purpose of this measure is to change the annual license renewal date for mortgage servicers from June 30 to December 31 of each calendar year.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs.

Your Committee finds that moving the annual license renewal date for mortgage servicers to December 31 of each calendar year will avoid confusion and conform the renewal date with that of the Nationwide Mortgage Licensing System and Registry.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2818 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Evans, Har, Ito, Oshiro, Yamane and McDermott.

SCRep. 1503-14 Consumer Protection & Commerce on S.B. No. 41

The purpose of this measure, as received by your Committee, is to clarify the role of a local contact for operators of transient accommodations.

For the purposes of a public hearing on this measure, your Committee circulated S.B. No. 41, H.D.1 PROPOSED, and notified the public that it would be accepting testimony on the Proposed Draft, which allows the Real Estate Commission to waive up to one year of an applicant's required three years of experience, under certain circumstances, for the real estate broker examination.

Your Committee received testimony from the following organizations and individuals on S.B. No. 41, S.D. 1, as received by your Committee, and on the Proposed Draft.

The Hawaii Association of Vacation Rental Managers testified in support of this measure as received by your Committee. The Department of Taxation testified in support of the intent of the measure as received by your Committee.

An individual testified in support of the Proposed Draft. The Real Estate Commission testified in opposition to the Proposed Draft.

Your Committee considered the merits of both S.B. No. 41, S.D.1, as received by your Committee and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Inserting the original contents of S.B. No. 41, S.D.1, which clarifies the role of a local contact for operators of transient accommodations as PART I of the measure;
- (2) Amending the definition of "custodian or caretaker" to exclude any individual who acts as a designated agent pursuant to section 521-43(f), Hawaii Revised Statutes;
- (3) Including a severability clause in the measure;
- (4) Providing for repeal of the waiver of experience requirements for the real estate broker examination on June 30, 2016; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 41, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 41, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1504-14 Consumer Protection & Commerce on S.B. No. 2300

The purpose of this measure is to:

- (1) Authorize the State Fire Council to set minimum certification requirements for individuals, operators, and contractors performing maintenance testing of portable fire extinguishers, fire protection systems, and fire alarm systems;
- (2) Base the certifications on the adopted state fire code and standards;
- (3) Recognize the certifications through the State; and

- (4) Authorize the State Fire Council to implement statewide fire and emergency responder memoranda of understanding and agreements for the effective use of fire and life safety resources.

The State Fire Council; Honolulu Fire Department; and Maui Fire Department supported this measure.

Your Committee has amended this measure by:

- (1) Clarifying that the statewide qualifications and procedures for testing, certifying, and credentialing individuals who perform maintenance and testing of portable fire extinguishers and fire protection and alarm systems are administered by the county fire departments, who may establish and charge reasonable certification fees;
- (2) Changing "fire and emergency responder memoranda of understanding and agreements" to a "statewide system" and specifying the services and facilities included in "fire and life safety resources";
- (3) Allowing the State Fire Council to adopt rules pursuant to chapter 91, Hawaii Revised Statutes;
- (4) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments, including the addition of a purpose and findings section, for clarity, consistency, and style.

Your Committee notes that the amendments proposed to section 132-16(c)(4), Hawaii Revised Statutes, relating to the functions of the State Fire Council, are not intended to act as a mandate for homeowners to install fire sprinklers in their homes.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2300, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2300, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1505-14 Consumer Protection & Commerce on S.B. No. 2817

The purpose of this measure is to enhance mortgage loan originator licensing laws.

Generally, the measure:

- (1) Repeals licensing exemptions for individuals handling mortgage loans for immediate family members or their own residence;
- (2) Updates requirements for the principal place of business and branch offices of mortgage loan originator companies;
- (3) Makes the failure to satisfy initial licensing requirements a basis for denying, suspending, revoking, declining to renew, or placing conditions on a license;
- (4) Requires mortgage loan originator companies to be open for business during posted business hours at each location, and authorizes the Commissioner of Financial Institutions to conduct an examination or investigation of the company during regular business hours; and
- (5) Makes various housekeeping amendments to clarify and update licensing requirements.

The Department of Commerce and Consumer Affairs testified in support of this measure. The Hawaii Association of Mortgage Professionals and Hawaii Financial Services Association provided comments on this measure. Several individuals testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Requiring mortgage loan originator companies to post their business hours in a clear, conspicuous, and accurate manner to their main office door or website along with their address and phone number under certain circumstances;
- (2) Specifying that the Commissioner of Financial Institutions or the Commissioner's authorized representative shall be able to conduct an examination or investigation of mortgage loan originator companies during regular business hour;
- (3) Changing its effective date to July 1, 2014; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2817, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2817, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1506-14 Energy & Environmental Protection/Water & Land on S.B. No. 2775

The purpose of this measure is to protect agricultural lands with a productivity rating of class A and permit solar energy facilities on those lands only if:

- (1) The solar energy facility is located on a paved or unpaved road that has been in existence as of December 31, 2013, and the parcel has a valid county agriculture tax dedication status or a valid agricultural conservation easement;
- (2) Vehicular traffic can still use the road; and
- (3) A special use permit is granted by the Land Use Commission.

This measure also repeals the permissible use of these lands on June 30, 2019, but provides for the continued operation of an existing facility after June 30, 2019, and establishes conditions for the facility's removal at the end of its operable life.

The Department of Agriculture; Department of Planning and Permitting of the City and County of Honolulu; Hawaii Cattlemen's Council; Hawaii Agriculture Research Center; Hawaii Farm Bureau; and a concerned individual supported this measure. The Department of Business, Economic Development, and Tourism; Office of Planning; and the Land Use Commission commented on this measure.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2775, S.D. 1, H.D. 1, and recommend that it pass Third Reading.

Signed by all members of the Committee except Representatives Hanohano, Nishimoto and Fale.

SCRep. 1507-14 Finance on S.B. No. 2321

The purpose of this measure is to:

- (1) Require claims for funds of any amount less than \$100 in the unclaimed property trust fund to be filed within 10 years of the deposit of the funds into the unclaimed property trust fund beginning July 1, 2014;
- (2) Make provisions for the application of this ten-year time period for funds already deposited in the unclaimed property trust fund; and
- (3) Specify that funds unclaimed at the expiration of the ten-year time period will be transferred to the state general fund.

The Department of Budget and Finance provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2321, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2321, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1508-14 Finance on S.B. No. 2410

The purpose of this measure is to require:

- (1) Each agency that submits a capital improvement project proposal to furnish the Department of Budget and Finance with an estimate of the operational costs for the proposed capital improvement project; and
- (2) The Department of Budget and Finance to report to the Governor an estimate of the operational costs for each proposed capital improvement project.

No testimony was submitted on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2410, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2410, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1509-14 Finance on S.B. No. 2411

The purpose of this measure is to repeal references in the Hawaii Revised Statutes to "subsidy" or "subsidies" as a type of funding award that may be made to a private organization or individual for a public purpose.

No testimony was submitted on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2411, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2411, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1510-14 Finance on S.B. No. 2519

The purpose of this measure is to establish a more realistic limit for general fund expenditures by:

- (1) Establishing the general fund appropriation for fiscal year 2014-2015 as the new base for calculating the general fund appropriation ceiling for fiscal year 2015-2016;
- (2) Beginning with fiscal year 2016-2017, calculating each fiscal year's expenditure ceiling by using the previous fiscal year's expenditure ceiling as the base and adjusting for applicable state growth; and
- (3) Requiring the Director of Finance to determine if the estimated expenditure ceiling exceeds the current fiscal year's general fund appropriation by greater than ten per cent and, if so, to include that determination in the Director's communications to the Governor, Chief Justice, Legislature, and public.

The Department of Budget and Finance and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2519, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2519, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1511-14 Finance on S.B. No. 2829

The purpose of this measure is to appropriate general funds to recapitalize the Emergency and Budget Reserve Fund now that the State is emerging from a very challenging economic period.

The Department of Budget and Finance provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2829, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2829, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1512-14 Finance on S.B. No. 2886

The purpose of this measure is to:

- (1) Conform State income tax law with amendments made to the Internal Revenue Code as of December 31, 2013; and
- (2) Clarify existing State income tax law through housekeeping and other conforming amendments.

The Department of Taxation and Tax Foundation of Hawaii provided comments on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2886, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2886, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1513-14 Finance on S.B. No. 2895

The purpose of this measure is to authorize the Department of Taxation to use funds from the Tax Administration Special Fund for taxpayer education programs.

The Department of Taxation supported this measure. Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2895, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2895, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1514-14 Finance on S.B. No. 2887

The purpose of this measure is to:

- (1) Conform the State's estate and generation-skipping transfer tax law to the Internal Revenue Code of 1986, as amended as of December 31, 2013; and
- (2) Amend the definition of "applicable exclusion amount" to close a loophole in the current law that allows a decedent to avoid estate and generation-skipping transfer taxes.

The Department of Taxation testified in support of this measure. The Tax Foundation of Hawaii provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2887, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1515-14 Finance on S.B. No. 2890

The purpose of this measure is to clarify that references to "estate taxes" in the Internal Revenue Code shall refer to both the estate and transfer tax imposed by Chapter 236D, Hawaii Revised Statutes (HRS), and the estate and generation-skipping tax imposed by Chapter 236E, HRS, as applicable.

The Department of Taxation supported this measure. Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2890, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1516-14 Finance on S.B. No. 2896

The purpose of this measure is to clarify that wholesale sales of tangible personal property are subject to a general excise tax rate of one-half of one per cent of gross sales proceeds.

The Department of Taxation supported this measure. Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2896, S.D. 1, and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1517-14 Finance on S.B. No. 2779

The purpose of this measure is to authorize the Department of Taxation to release confidential tax return information to the Office of the Auditor necessary for the Auditor to conduct its annual certified financial audit of the State.

The Department of Accounting and General Services provided testimony in support of this measure. The Office of the Auditor, Department of Taxation, and Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Specifying that the unlawful disclosure of certain confidential tax return information by officers or employees of the State, including the auditor or its agents, shall be punishable as a class C felony;
- (2) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2779, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2779, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.
(Representatives Jordan, Takayama and Tokioka voted no.)

SCRep. 1518-14 Judiciary on S.B. No. 2483

The purpose of this measure is to clarify the rules and procedures governing condominium associations by:

- (1) Making a housekeeping amendment restoring "other purchaser" to the parties who may have unpaid common expenses assessed against them in a judicial or nonjudicial power of sale foreclosure;
- (2) Specifying that nothing in an association's declaration or bylaws may usurp the requirement that a condominium board may only fill vacancies in its membership until the next annual or duly noticed special association meeting; and
- (3) Requiring that notice of a special association meeting to fill vacancies shall include notice of the election and be held on a date allowing sufficient time for owners who wish to run to participate.

The Hawaii State Association of Parliamentarians and Hawaii Chapter of the Community Associations Institute supported this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2483, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1519-14 Judiciary on S.B. No. 2475

The purpose of this measure is to clarify that aiding or abetting an unlicensed person may subject licensed contractors to additional discipline by the Contractors License Board.

The Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs, Contractors License Board, Subcontractors Association of Hawaii, and Building Industry Association of Hawaii supported the bill.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2475 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1520-14 Consumer Protection & Commerce on S.B. No. 1236

The purpose of this measure is to deny a building permit on or after January 1, 2014, for the construction of new condominiums and planned communities that do not include infrastructure that will accommodate, at a minimum, fiber optic cable to be used to provide broadband television services.

The Department of Business, Economic Development, and Tourism and Hawaiian Telcom testified in support of this measure. The Department of Commerce and Consumer Affairs testified in support of the intent of this measure. The Hawaii Association of REALTORS provided comments on this measure.

Your Committee has amended this measure by:

- (1) Placing the fiber optic cable system requirement for new condominiums and planned communities under Chapter 46, Hawaii Revised Statutes, instead of Chapter 440J, Hawaii Revised Statutes;

- (2) Limiting applicability of the fiber optic cable requirement for new condominiums to new condominiums with ten or more units;
- (3) Clarifying that the required infrastructure shall be a fiber optic cable system that meets the standards established through rules adopted by the Director of Commerce and Consumer Affairs;
- (4) Specifying that the Director of Commerce and Consumer Affairs shall adopt rules pursuant to Chapter 91, Hawaii Revised Statutes, governing standards for fiber optic cable systems no later than December 31, 2014;
- (5) Changing the effective date to July 1, 2012, to encourage further discussion; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1236, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1236, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har and Lee.

SCRep. 1521-14 Judiciary on S.B. No. 2682

The purpose of this measure is to ensure that conflicts of interest of state board, commission, and agency members are more easily identified by making the financial disclosure statements of certain board, commission, and agency members available for public inspection and duplication.

The Hawaii State Ethics Commission; League of Women Voters of Hawaii; Common Cause Hawaii; Ho'okipa Network – Kauai; Hawaii Farmers Union United, Kona Chapter; Malu 'Aina; The Aurora Foundation; and a plethora of concerned individuals testified in support of this measure. The Hawaii Housing Finance and Development Corporation testified in opposition to this bill. The Labor and Industrial Relations Appeals Board, a member of the Hawaii Labor Relations Board, and two concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Specifying that those individuals subject to public disclosure that are required to disclose the financial interests of their spouse and dependent children shall disclose the name and not the address, of any qualifying source of income; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2682, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2682, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har, Nakashima, Wooley and McDermott.

SCRep. 1522-14 Judiciary on S.B. No. 2869

The purpose of this measure is to update state health care privacy laws by replacing existing law regarding the use and disclosure of developmental disability and mental health records by health care providers with standards set out in the Health Insurance Portability and Accountability Act of 1996.

The Department of Health and State Council on Developmental Disabilities testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2869, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2869, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1523-14 Judiciary on S.B. No. 2901

The purpose of this measure is to facilitate expedient compliance with federal motor carrier safety regulations by amending or deleting statutory provisions containing federal requirements that are currently addressed in the Hawaii Administrative Rules or are otherwise unnecessary.

The Department of Transportation supported the bill.

Your Committee has amended the bill by:

- (1) Removing the requirement that passenger carrying vehicles that:
 - (A) Have a gross vehicle weight of 10,000 pounds or less;

- (B) Are used in car or van pools for the movement of passengers to and from work; and
- (C) Comply with county safety ordinances and rules and other applicable state safety laws and rules, must transport fewer than sixteen individuals to qualify for the exemption from the motor carrier safety provisions of Part XI, Chapter 286, Hawaii Revised Statutes;
- (2) Clarifying that the exemption applies to passenger carrying vehicles used for the transportation, without compensation, of persons for private, instead of personal, purposes; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

It was unclear to your Committee how the current provisions of Part XI, Chapter 286, Hawaii Revised Statutes, fail to comply with the federal requirements or how the proposed provisions would bring the State into compliance with federal requirements. Your Committee believes that the exemptions from the motor carrier safety provisions of Part XI, Chapter 286, Hawaii Revised Statutes, are intended to exempt vehicles that do not meet the definition of a "commercial motor vehicle" under Title 49, Part 390, Code of Federal Regulations, but has not received any testimony that would corroborate such an intent. Accordingly, your Committee has declined to accept two proposed amendments and respectfully encourages further discussion of these concerns as this bill advances through the legislative process.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2901, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2901, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Har, Nakashima, Wooley and McDermott.

SCRep. 1524-14 Judiciary on S.B. No. 2726

The purpose of this measure is to permit all-terrain vehicles and utility-terrain vehicles that are used as farm equipment to be driven on certain streets, provided that:

- (1) Specified conditions of operation are met; and
- (2) The vehicle falls under the definitions established by this measure.

This measure also imposes a fine for violation of its terms.

The Hawaii Cattlemen's Council, Inc.; Hawaii Farm Bureau; Maui County Farm Bureau; and a few concerned citizens testified in support of this measure. The Department of Transportation and Maui Police Department testified with comments on this measure.

Your Committee has amended this measure by:

- (1) Authorizing city, county, and state workers on neighbor islands to use all-terrain vehicles and utility-terrain vehicles to travel on streets while acting within the scope of their official duties;
- (2) Including all-terrain vehicles and utility-terrain vehicles under the definition of farm equipment, when used to help with farming; and
- (3) Providing that all-terrain vehicles and utility-terrain vehicles operated under these conditions shall not be regulated as motor vehicles.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2726, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2726, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1525-14 Judiciary on S.B. No. 2853

The purpose of this measure is to clarify the conditions under which adult foster homes for individuals with developmental or intellectual disabilities may be certified by the Department of Health by:

- (1) Granting the Director of Health discretion to allow up to three adults with developmental or intellectual disabilities in an adult foster home;
- (2) Limiting the total number of foster children and adults with developmental or intellectual disabilities in a dually certified home to three instead of five, and exempting foster homes already certified under existing requirements; and
- (3) Limiting the authority of the Department of Human Services to dually certify existing certified adult foster homes as foster boarding homes for children.

The Department of Health, State Council on Developmental Disabilities, and Department of Human Services testified in support of this measure.

Your Committee has amended this measure by:

- (1) Clarifying language regarding waivers to permit up to three disabled adult residents in one adult foster home;
- (2) Adding a definition for "certified caregiver";
- (3) Making it effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2853, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2853, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Har, Nakashima, Wooley and McDermott.

SCRep. 1526-14 Judiciary on S.B. No. 2032

The purpose of this measure is to expand the scope of the offense of assault in the second degree to protect additional types of medical service providers who in the performance of duty sustain injury from intentional or knowing assault.

Currently, the offense of assault in the second degree comprises intentionally or knowingly causing bodily injury to emergency services personnel and certain medical service providers and professionals in the performance of duty, providing services in a hospital emergency room. This measure extends the scope of the offense to also include causing such bodily injury to advanced practice registered nurses and unlicensed medical professionals or other medical staff who are involved in the direct care of patients in the provision of services in a hospital, medical clinic, or federally qualified health center.

The Queen's Health Systems; Hawaii Pacific Health; Hawaii State Center for Nursing; Prime Care Services Hawaii; Kaiser Permanente Hawaii; National Association of Social Workers, Hawaii Chapter; Philippine Nurses Association Hawaii; United Public Workers, AFSCME, Local 646, AFL-CIO; Healthcare Association of Hawaii; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; Kahi Mohala Behavioral Health; and several concerned individuals testified in support of this measure. The Office of the Public Defender testified in opposition to this measure.

Your Committee acknowledges that there are concerns with this measure, including whether it will effectively deter patients and other individuals from physically attacking medical service providers. Further, the measure distinguishes among healthcare employees by seeking to enhance the penalty for assaulting certain hospital, medical clinic, and federally qualified health center employees but excluding other healthcare staff. It also does not cover healthcare employees who work in patients' homes where they may be at an even greater risk for assault. Your Committee respectfully requests that these matters be addressed as the measure progresses through the legislative process.

Accordingly, your Committee has amended this measure by making it effective on July 1, 2100, to promote further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2032, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2032, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1527-14 Judiciary on S.B. No. 2175

The purpose of this measure is to establish a two-year industrial hemp phytoremediation and biofuel research program within the University of Hawaii College of Tropical Agriculture and Human Resources.

The University of Hawaii System; Department of Business, Economic Development, and Tourism; Hawaiian Standard and Green Futures; Vote Hemp; Hawaii Farmers Union United; Life of the Land; and numerous concerned individuals testified in support of this measure. The Department of the Prosecuting Attorney of the City and County of Honolulu and Honolulu Police Department testified in opposition to this bill. The Department of Agriculture, Department of Public Safety, Pacific Biodiesel Technologies, and several concerned individuals provided comments.

Your Committee has amended this measure by:

- (1) Requiring as opposed to authorizing the Dean of the College of Tropical Agriculture and Human Resources at the University of Hawaii to submit a final report to the Legislature;
- (2) Removing unnecessary requirements placed on the program site and participants to register with state and federal drug enforcement agencies;
- (3) Deleting unnecessary language excluding any participant found to grow or cultivate marijuana from immunity provided for industrial hemp for research purposes because growing or cultivating marijuana is illegal and does not fall under the immunity provisions of this measure;
- (4) Deleting the appropriation made from the general fund to establish the program;
- (5) Making it effective on July 1, 2014; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2175, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2175, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1528-14 Judiciary on S.B. No. 2687

The purpose of this measure is to hold perpetrators of sexual offenses against minors civilly accountable for their actions by:

- (1) Allowing victims of child sexual abuse that occurred in Hawaii who have been barred from filing suit against their abusers by virtue of the expiration of the former civil statute of limitations to file those claims in the circuit courts at any time; and
- (2) Prohibiting the court, plaintiff, or specified individuals from being required to disclose the contents of a sealed certificate of merit that is filed with a court, as required in such a civil action.

The Sex Abuse Treatment Center and several concerned individuals supported the bill. The Department of the Attorney General and Hawaii Catholic Conference opposed the measure. Several concerned individuals submitted comments.

Your Committee has amended this bill by:

- (1) Extending from two to four years after April 24, 2012, the statutory period during which victims of child sexual abuse who would have been barred from filing suit against their abusers by virtue of the expiration of the former civil statute of limitations can file those claims in the circuit courts;
- (2) Subjecting the State and its political subdivisions to legal liability with respect to civil actions arising from sexual offenses, to the same extent as all other public and private entities;
- (3) Eliminating the prohibition against the required disclosure of the contents of the sealed certificate of merit; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2687, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2687, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1529-14 Finance on S.B. No. 2345

The purpose of this measure is to protect Hawaii's kupuna from financial fraud and abuse by appropriating funds for the operation of the investor education and other related financial education programs targeted at kupuna, within the Department of Commerce and Consumer Affairs.

The Department of Commerce and Consumer Affairs supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2345, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1530-14 Finance on S.B. No. 2481

The purpose of this measure is to modernize Chapter 514E, Hawaii Revised Statutes, relating to time sharing plans, by:

- (1) Eliminating the requirement that a manager of a time share plan located outside of Hawaii register in the State as a time share plan manager;
- (2) Requiring that the disclosure statement for an offering of a time share plan include information stating that the plan manager of a time share plan located outside of Hawaii is exempt from registration under Hawaii's Time Share Law;
- (3) Specifying the types of nonprofit or not-for-profit entities, or any entity that qualifies as a homeowners association under Title 26 United States Code Section 528, that a time share plan owner association may be organized as; and
- (4) Making housekeeping amendments.

The American Resort Development Association Hawaii, Starwood Vacation Ownership, and Wyndham Vacation Ownership supported this measure. The Department of Commerce and Consumer Affairs commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2481, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1531-14 Finance on S.B. No. 2486

The purpose of this measure is to amend various provisions relating to private guards and individuals acting in a guard capacity by:

- (1) Delaying commencement of the continuing education requirement for two years;
- (2) Making permanent the registration and licensure requirements for private guards and individuals acting in a guard capacity by repealing the sunset date of Act 208, Session Laws of Hawaii 2010;
- (3) Specifying that, in addition to relevant guard industry material included in the annual four hours of required classroom instruction, required classroom instruction shall include a refresher component on professional image and aloha training; and
- (4) Exempting loss prevention agents from the registration and licensure requirements for private guards and individuals acting in a guard capacity.

The Hawaii Food Industry Association supported this measure. The Board of Private Detectives and Guards, Hawaii Council of Associations of Apartment Owners, and an individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2486, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1532-14 Finance on S.B. No. 2581

The purpose of this measure is to refine and clarify provisions relating to the State Building Code Council and the Hawaii State Building Codes by:

- (1) Modifying the composition, quorum requirements, and duties of the State Building Code Council;
- (2) Amending State Building Code Council procedures for the adoption, modification, and updating of codes and standards of the Hawaii State Building Codes, including clarifying terminology, the code adoption process, and the staggering of code adoptions;
- (3) Prohibiting the adoption of Hawaii State Building Code provisions that conflict with laws governing contractors; and
- (4) Appropriating funds for Fiscal Year 2014-2015 for the State Building Code Council and staff to carry out their duties and functions.

The State Department of Defense; City and County of Honolulu, Department of Planning and Permitting; General Contractors Association of Hawaii; The Pacific Resource Partnership; American Institute of Architects; Hawaii Laborers' Union; State Building Code Council; Subcontractors Association of Hawaii; and Hawaii Operating Engineers Industry Stabilization Fund supported this measure. The Department of Accounting and General Services; Department of Business, Economic Development, and Tourism; Department of Labor and Industrial Relations; International Code Council; Building Industry Association of Hawaii; and American Chemistry Council commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2581, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1533-14 Finance on S.B. No. 2758

The purpose of this measure is to require the interest and other moneys earned on the principal of the Hurricane Reserve Trust Fund to be deposited into the Hurricane Reserve Trust Fund instead of being diverted to the general fund.

The Department of Budget and Finance, Department of Defense, Department of Defense Civil Defense Division, and the Hawaii Association of REALTORS supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2758, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1534-14 Finance on S.B. No. 2809

The purpose of this measure is to align statutory language regarding utility ratemaking with widely-accepted utility ratemaking principles and ratemaking practices already applied in Hawaii.

The Public Utilities Commission; Department of Business, Economic Development, and Tourism; and Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs supported this measure. Hawaiian Electric Company, Maui Electric Company, and Hawai'i Electric Light Company opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2809, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1535-14 Finance on S.B. No. 2821

The purpose of this measure is to update various provisions in the Insurance Code based on recommendations by the National Association of Insurance Commissioners (NAIC) to ensure that the Department of Commerce and Consumer Affairs Insurance Division maintains its NAIC accreditation.

Specifically, this measure adopts revisions to the NAIC's model laws on Credit for Reinsurance Model Act, Standard Valuation Law, Standard Nonforfeiture Law for Life Insurance, and Insurance Holding Company System Regulatory Act and additional amendments aimed at clarifying those revisions in the context of Hawaii's Insurance Code.

USAA testified in support of this measure. The American Council of Life Insurers provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2821, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1536-14 Finance on S.B. No. 2948

The purpose of this measure is to support the mission of the Public Utilities Commission (PUC), ensure the efficient operation of the PUC, and ensure that decisions relating to public utilities continue to be made in the public interest by, among other things:

- (1) Removing the PUC from its administrative placement in the Department of Budget and Finance and establishing it as a semi-autonomous agency that is administratively attached to the Department of Commerce and Consumer Affairs;
- (2) Amending the salaries of the PUC Chairperson and Commissioners to ensure that their salaries remain competitive with other states' public utilities commissions;
- (3) Clarifying that notwithstanding section 26-35, Hawaii Revised Statutes, the PUC has authority concerning standard administrative expenditures, including operational expenditures and the hiring of personnel;
- (4) Changing the position title of the PUC's Chief Administrator to PUC Executive Officer;
- (5) Allowing the PUC Chairperson to appoint, employ, and dismiss a PUC Fiscal Officer and PUC Personnel Officer;
- (6) Establishing the position of Executive Director of the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs;
- (7) Providing that the Public Utilities Commission Special Fund shall be used for costs of the Department of Commerce and Consumer Affairs to provide administrative support services to the PUC; and
- (8) Appropriating funds for Fiscal Year 2014-2015 to enable:
 - (A) The transfer of the PUC from the Department of Budget and Finance to the Department of Commerce and Consumer Affairs; and
 - (B) The PUC Chairperson to appoint and employ an Executive Officer who shall be responsible for managing the operations of the PUC, and a PUC Fiscal Officer and PUC Personnel Officer to support the administrative activities of the PUC.

The Department of Commerce and Consumer Affairs; Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Department of Business, Economic Development, and Tourism; and Hawai'i Energy Policy Forum supported this measure. The Department of Budget and Finance, PUC, and Ulupono Initiative commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2948, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1537-14 Finance on S.B. No. 718

The purpose of this measure is to support long term economic growth in the State by:

- (1) Appropriating funds to the Hawaii Strategic Development Corporation to continue the HI Growth Initiative;
- (2) Authorizing and appropriating funds for the Department of Business, Economic Development, and Tourism, in collaboration with the Department of Agriculture, to perform studies and analysis relating to the establishment of one or more facilities on the Island of

Hawaii for quarantine inspection, quarantine treatment, and handling of incoming and outgoing agricultural commodities.

The Department of Business, Economic Development, and Tourism; Hawaii Strategic Development Corporation; High Technology Development Corporation; University of Hawaii; Chamber of Commerce Hawaii; Nalukai Foundation; Dev League; Food Spectrum, LLC; and numerous concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 718, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1538-14 Finance on S.B. No. 2399

The purpose of this measure is to authorize the High Technology Development Corporation to establish a geriatric research and technology park that will serve the emerging elderly population and stimulate economic growth. The objective of the research and technology park shall be to encourage manufacturing jobs related to products and services focused on long-term services, including adult residential care homes, hospices, nursing homes, and assisted living facilities in a designated geographic hub.

The Executive Office on Aging and the High Technology Development Corporation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2399, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1539-14 Finance on S.B. No. 2079

The purpose of this measure is to amend the Motion Picture, Digital Media, and Film Production Income Tax Credit (Tax Credit) by:

- (1) Requiring a film production to:
 - (A) Comply with all applicable statutes, ordinances, rules, and regulations of the federal, state, and county governments to qualify for the Tax Credit; and
 - (B) Secure all necessary film permit approvals with the appropriate state or county agency if film production takes place on state or county property;
- (2) Prohibiting qualified production costs that have been financed with state funds from qualifying for the Tax Credit beginning on July 1, 2014; and
- (3) Prohibiting reality television programming from qualifying for the Tax Credit.

The Department of Land and Natural Resources supported this measure. Island Film Group opposed this measure. The Department of Business, Economic Development, and Tourism; Department of Taxation; and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2079, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2079, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1540-14 Finance on S.B. No. 2583

The purpose of this measure is to appropriate funds, contingent on a dollar-for-dollar match of funds by the National Aeronautics and Space Administration (NASA), for the purpose of funding an engineering assessment of the proposed venture between NASA and the Pacific International Space Center for Exploration Systems (PISCES) to establish a laser optical communications ground station in the State.

NASA; JAMSS America, Inc.; Ferraro Choi; International Ventures Associates; and several individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism; Department of Commerce and Consumer Affairs, Cable Television Division; University of Hawaii at Hilo; PISCES; Shackleton Energy Company; Near Earth LLC; and an individual provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2583, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2583, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1541-14 Finance on S.B. No. 2981

The purpose of this measure is to promote and encourage innovation and entrepreneurship in Hawaii by incorporating those ideals into the policies, objectives, and priority guidelines of the Hawaii State Plan concerning the economy and information technology.

The Department of Business, Economic Development, and Tourism; High Technology Development Corporation; Hawaii Strategic Development Corporation; and the Chamber of Commerce Hawaii supported this measure. The Department of Commerce and Consumer Affairs commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2981, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2981, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Woodson.

SCRep. 1542-14 Finance on S.B. No. 2134

The purpose of this measure is to amend various sections of Chapter 302A, Hawaii Revised Statutes, governing the Department of Education, to comply with the requirements of the federal Individuals with Disabilities Education Act.

The Department of Education provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2134, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2134, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1543-14 Finance on S.B. No. 2516

The purpose of this measure is to support facilities funding for charter schools by:

- (1) Appropriating funds to the State Public Charter School Commission (Commission) to support its facilities pilot project, based, in part, on the need and performance of charter schools; and
- (2) Requiring annual reports by the Commission to the Legislature for the duration of the pilot project.

The Commission, Na Wai Ola Public Charter School, Hawaii Public Charter Schools Network, Kamehameha Schools, Hawaiian Educational Council, Hookakoo Corporation, and a few individuals provided testimony in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2516, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2516, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1544-14 Finance on S.B. No. 2517

The purpose of this measure is to establish a funding source for public charter school facilities by:

- (1) Authorizing the State Public Charter School Commission (Commission) to request the issuance of general obligation bonds to fund the design, planning, construction, repair, and maintenance of charter school facilities;
- (2) Establishing the Charter School Facilities Funding Working Group; and
- (3) Authorizing the issuance of general obligation bonds and appropriating funds to the Commission to assist public charter schools with the design, planning, construction, repair, and maintenance of charter school facilities.

The Commission, Kamehameha Schools, Hawaii Public Charter Schools Network, Hookakoo Corporation, Hawaiian Educational Council, and a few individuals provided testimony in support of this measure. The Department of Budget and Finance provided comments.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of S.B. No. 2517, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2517, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1545-14 Finance on S.B. No. 2768

The purpose of this measure is to improve early childhood education in Hawaii by:

- (1) Requiring school attendance for five-year-old children, making kindergarten attendance mandatory;
- (2) Requiring the Department of Education, in collaboration with the Executive Office on Early Learning, to develop a statewide individualized kindergarten readiness process to collect information and data available through individualized kindergarten readiness assessments;
- (3) Establishing within the Department of Education an individualized kindergarten readiness assessment system; and
- (4) Beginning with the 2015-2016 school year, requiring all Department of Education and charter-school kindergarten classes to adopt the individualized kindergarten readiness assessment system; provided that parents may exempt their children from the system.

The Department of Education; Executive Office on Early Learning; Hawaii P-20; Good Beginnings Alliance; Chamber of Commerce Hawaii; Hui for Excellence in Education; Aha Punana Leo; and an individual testified in support of this measure. An individual testified in opposition to this measure. The Department of Human Services, Hawaii State Teachers Association, Hawai'i Association for the Education of Young Children, and numerous individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2768, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2768, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1546-14 Finance on S.B. No. 2288

The purpose of this measure is to amend or repeal various provisions of Chapter 302A, Hawaii Revised Statutes, which governs the Department of Education, for housekeeping and other purposes.

The Department of Budget and Finance opposed this measure. The Department of Education commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2288, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1547-14 Finance on S.B. No. 2057

The purpose of this measure is to extend and improve the Nursing Facility Sustainability Program, which uses provider fees as matching funds to qualify for increased federal Medicaid provider reimbursement rates.

Specifically, this measure:

- (1) Continues the Program for an additional year;
- (2) Exempts the Nursing Facility Sustainability Program Special Fund from the central services expenses assessment; and
- (3) Appropriates funds from the Special Fund as necessary matching funds for increased federal Medicaid funding for fiscal year 2014-2015.

The Department of Human Services, Victim/Witness Program of the County of Kauai, Chamber of Commerce of Hawaii, Hawaii Health Systems Corporation, Healthcare Association of Hawaii, and Hawaii Primary Care Association provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Deleting the Nursing Facility Sustainability Program Special Fund from the statutory exemption from central services fees assessed under section 36-27, Hawaii Revised Statutes; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2057, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2057, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Lowen, Yamashita and Ward.

SCRep. 1548-14 Finance on S.B. No. 702

The purpose of this measure is to combat internet crimes against children by, among other things:

- (1) Establishing an Internet Crimes Against Children Fee, which shall be assessed against a defendant for each felony or misdemeanor conviction; and
- (2) Establishing an Internet Crimes Against Children Special Fund from which the Attorney General may expend funds to:
 - (A) Train and equip local law enforcement to investigate and prosecute internet crimes against children;
 - (B) Enable law enforcement to investigate and prosecute internet crimes against children; and
 - (C) Assist groups working directly to fight internet crimes against children.

The Crime Victim Compensation Commission; Office of the Prosecuting Attorney, County of Hawaii; Maui Department of the Prosecuting Attorney; Sex Abuse Treatment Center; and a concerned individual supported this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 702, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Lowen, Yamashita and Ward.

SCRep. 1549-14 Finance on S.B. No. 2009

The purpose of this measure is to expand health care services for uninsured, underinsured, and underserved low-income individuals. Specifically, this measure appropriates funds to:

- (1) Provide primary medical, dental, and behavioral health care to uninsured and underinsured patients;
- (2) Restore basic adult dental benefits to Medicaid enrollees;
- (3) Provide outreach and eligibility services at Federally Qualified Health Centers;
- (4) Establish a health homes program in the Medicaid program and at Federally Qualified Health Centers; and
- (5) Provide behavioral health services at Federally Qualified Community Health Centers.

The Office of the Governor, State Council on Developmental Disabilities, Community Alliance for Mental Health, United Self Help, Waianae Coast Comprehensive Health Center, Waimanalo Health Center, Hoola Lahui Hawaii, Hamakua Health Center, Kokua Kalihi Valley Community Health Center, Waikiki Health, Lanai Community Health Center, and several concerned individuals supported this measure. The Department of Human Services, Department of Health, and Hawaii Primary Care Association commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2009, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Lowen, Yamashita and Ward.

SCRep. 1550-14 Finance on S.B. No. 1249

The purpose of this measure is to clarify state law relating to the compensation of trustees. Specifically, this measure:

- (1) Provides that trustees are entitled to compensation as specified in the measure; provided the compensation is reasonable;
- (2) Provides that banks and trust companies serving as trustees are entitled to reasonable compensation, which may be included in the bank or trust companies' published fee schedule;
- (3) Requires that advanced written notice of any amendment to a bank or trust company's fee schedule be provided to the settlor or, after

the settlor's death, to all beneficiaries;

- (4) In the case where there is more than one trustee, provides for the division of fees that is calculated on the trust assets at the inception of the trust;
- (5) Provides for cost-of-living adjustments to specified annual fees due to a trustee in accordance with changes in the Consumer Price Index using the year 2014 as the base; and
- (6) Specifies that this measure shall not infringe on an interested party's right to petition the court for review under Article VII of Chapter 560, Hawaii Revised Statutes, relating to the Trust Administration Law.

The Trust Department of Bank of Hawaii and the individual attorney members of The Judiciary's Committee on the Uniform Probate Code and Probate Court Practices supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1249, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1551-14 Finance on S.B. No. 2120

The purpose of this measure is to reconcile provisions regarding contribution limits by family members to a candidate's campaign to conform with the recodification of the Hawaii Revised Statutes chapter on elections that occurred in 2010. Specifically, this measure replaces a statutory reference to reflect that sums donated by immediate family members are exempt from statutorily established contribution limits to candidates and candidate committees.

The Campaign Spending Commission testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2120 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1552-14 Finance on S.B. No. 2118

The purpose of this measure is to make housekeeping amendments to partial public campaign financing laws by:

- (1) Requiring candidates who voluntarily agreed to limit campaign expenditures but exceed the expenditure limit for that election to provide notice to the Office of Elections, rather than the Chief Election Officer; and
- (2) Repealing provisions relating to an obsolete income tax deduction for campaign contributions.

The Office of Elections supported this measure. The Department of Taxation and Campaign Spending Commission commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2118, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1553-14 Finance on S.B. No. 2249

The purpose of this measure is to improve the administrative rulemaking process by requiring proposed administrative rules, for purposes of meeting public notice requirements, to be described in public meeting agendas under section 92-7, Hawaii Revised Statutes (HRS), relating to the Sunshine Law, in the same manner as in the agendas of public hearing notices under section 91-3, HRS, relating to the Administrative Procedure Law.

The Department of the Attorney General; Department of Business, Economic Development, and Tourism; and Office of Information Practices supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2249, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1554-14 Finance on S.B. No. 2629

The purpose of this measure is to provide greater transparency in lobbying activities by requiring persons who engage in lobbying during any special session to file a statement of expenditures with the Hawaii State Ethics Commission within 30 days after adjournment sine die of the special session.

The Hawaii State Ethics Commission, League of Women Voters, and Common Cause Hawaii supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2629, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1555-14 Finance on S.B. No. 2246

The purpose of this measure is to appropriate funds to satisfy claims against the State, its officers, or its employees for the overpayment of taxes, or for refunds, reimbursements, payments of judgments or settlements, or other liabilities.

The Department of the Attorney General provided comments on this measure.

Your Committee has amended this measure by:

- (1) Adding a new judgment against the State pursuant to *In the Matter of the Application of Honolulu Construction and Draying Company, Limited v. State of Hawaii, et al.*, Land Court Application No. 787, Hawaii Supreme Court No. SCWC-30484, in the amount of \$165,929.42, to be paid from the general fund;
- (2) Adding a new settlement pursuant to *Garner, et al. v. State of Hawaii, et al.*, Civil No. 03-1-000305, First Circuit, in the amount of \$132,819.00, to be paid from the general fund;
- (3) Adding a new settlement pursuant to *Javier, et al. v. State of Hawaii, et al.*, Civil No. 07-1-0160(1), Second Circuit, in the amount of \$124,169.60, to be paid from the general fund;
- (4) Adding a new judgment against the State pursuant to *Oahu Publications, Inc., dba Honolulu Star-Advertiser v. Abercrombie*, Civil No. 11-1-1871-08 KKS, First Circuit, in the amount of \$70,272.66, to be paid from the general fund;
- (5) Adding a new settlement pursuant to *Shaya, et al., v. Franco, et al.*, Civil No. 11-1-0551, Second Circuit, in the amount of \$700,000, to be paid from the State Highway Fund; and
- (6) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2246, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2246, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1556-14 Finance on S.B. No. 2634

The purpose of this measure is to promote transparency in lobbying activities by requiring individuals who spend more than \$750 on lobbying during a statement period to itemize each expenditure under certain categories and to account for expenditures listed as "other endorsements."

The State Ethics Commission, League of Women Voters of Hawaii, and Common Cause Hawaii provided testimony in support of this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2634, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2634, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Hashem, Jordan and Woodson.

SCRep. 1557-14 Finance on S.B. No. 1038

The purpose of this measure is to:

- (1) Authorize a court to decree the forfeiture of all or any portion of the Employees' Retirement System benefits to which a member, former member, or retirant of state or county employment hired after the effective date of this measure would otherwise have been entitled if the member, former member, or retirant is convicted of a felony that is related to the employment of the member, former member, or retirant; and
- (2) Require the Employees' Retirement System to comply with a court order to reduce, suspend, or deny payment of benefits to the member, former member, or retirant.

The Employees' Retirement System provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1038, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1038, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1558-14 Finance on S.B. No. 1065

The purpose of this measure is to make emergency appropriations to fund salary increases and other collective bargaining cost items for collective bargaining unit (11), as well as its excluded counterparts, for fiscal biennium 2013-2015, pursuant to the collective bargaining agreement between public employers and collective bargaining unit (11).

The Hawaii Firefighters Association, Local 1463, IAFF, AFL-CIO supported this measure. The Department of Budget and Finance commented on this measure.

Pursuant to the requirements set forth in Article VII, section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 164 to the Legislature, requests immediate consideration and passage of this bill by the Legislature, citing the necessity of prompt attention to this matter to appropriate funds for collective bargaining cost items in the arbitrated settlement for collective bargaining unit (11) and its excluded counterparts for fiscal biennium 2013-2015.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1065, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1559-14 Finance on S.B. No. 2073

The purpose of this measure is to appropriate unspecified amounts for fiscal biennium 2013-2015, to fund salary increases, collective bargaining cost items, Hawaii Employer-Union Health Benefits Trust Fund costs, and other cost adjustments for officers and employees of collective bargaining unit (6) and their excluded counterparts.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO provided testimony in support of this measure. The Department of Budget and Finance provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2073, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1560-14 Finance on S.B. No. 2074

The purpose of this measure is to appropriate unspecified amounts, for fiscal biennium 2013-2015, to fund salary increases, collective bargaining cost items, Hawaii-Employer Union Health Benefits Trust Fund costs, and other cost adjustments for employees within collective bargaining unit (9) and their excluded counterparts.

The University of Hawaii; Hawaii Health Systems Corporation; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in support of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2074, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1561-14 Finance on S.B. No. 2075

The purpose of this measure is to appropriate unspecified amounts for fiscal biennium 2013-2015 to fund salary increases, collective bargaining cost items, Hawaii Employer-Union Health Benefits Trust Fund costs, and other cost adjustments for state officers and employees within collective bargaining unit (14) and their excluded counterparts.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO testified in support of this measure. The Department of Budget and Finance commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of S.B. No. 2075, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1562-14 Finance on S.B. No. 2365

The purpose of this measure is to limit the reimbursement rates for prescription medications. This measure will prevent drug prices from becoming an unreasonable driver of health care costs in workers' compensation and motor vehicle insurance claims, while maintaining the same standard of service and care for injured employees under the workers' compensation law and injured individuals under the motor vehicle insurance law.

The Department of Human Resources Development; Property Casualty Insurers Association of America; Chamber of Commerce Hawaii; Hawaiian Electric Co. Inc.; Maui Electric Company, LTD.; Hawaii Electric Light Company, Inc.; Hawaii Insurers Council; and the National Association of Mutual Insurance Companies supported this measure. The Department of Commerce and Consumer Affairs; Department of Labor and Industrial Relations; Department of Human Resources City and County of Honolulu; ILWU; Automated Healthcare Solutions; Hawaii Medical Association; GEICO; Work Injury Medical Association of Hawaii; and a concerned individual commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2365, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1563-14 Finance on S.B. No. 3039

The purpose of this measure is to assist in the enforcement of Hawaii's wage and hour law on public construction projects by:

- (1) Establishing the Wage and Hour for Public Works Projects Special Fund to fund enforcement of wage and hour laws for public works projects;
- (2) Requiring state departments, with the exception of the Department of Transportation Airports Division, to transfer a percentage of capital improvement project appropriations to the special fund; and
- (3) Establishing two additional labor law enforcement specialist IV positions within the Department of Labor and Industrial Relations.

The Hawaii Iron Workers Stabilization Fund; Hawaii Laborers' Union; Hawaii Operating Engineers Industry Stabilization Fund; Pacific Resource Partnership; Hawaii Building and Construction Trades Council, AFL-CIO; and the Hawaii Regional Council of Carpenters testified in support of this measure. The Department of Transportation testified in opposition of this measure. The Department of Labor and Industrial Relations; Department of Accounting and General Services; and General Contractors Association of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3039, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1564-14 Finance on S.B. No. 3099

The purpose of this measure is to provide for the conversion of certain public employee positions from exempt status to civil service status. Specifically, this measure:

- (1) Makes hiring of professional and technical staff in accordance with civil service laws mandatory, rather than optional, for the State Historic Preservation Division of the Department of Land and Natural Resources; and
- (2) Sunsets civil service exemptions created after July 1, 2014, after three years of their enactment unless affirmatively extended by the Legislature.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supported this measure. The Department of Human Resources Development opposed this measure. The Department of Land and Natural Resources commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3099, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1565-14 Finance on S.B. No. 1179

The purpose of this measure is to authorize the Director of Public Safety or the Director's designee (Director) to petition the courts to obtain orders to provide involuntary medical treatment to certain inmates and detainees by, among other things:

- (1) Defining specific terms used in the criteria for involuntary medical treatment;

- (2) Allowing the Director to file the petition in district court, in addition to circuit court;
- (3) Permitting the attachment of a declaration in addition to an affidavit of the examining physician or psychologist to the petition;
- (4) Expanding from two to five days the maximum time period between the examination of the inmate or detainee and the filing of the petition;
- (5) Specifying that notice of a hearing be served on the inmate or detainee and at least one of the persons presently entitled to be served with notice and including the individual's emergency contact listed while the individual is in the custody of the Department of Public Safety;
- (6) Authorizing, rather than requiring, the court to appoint a guardian ad litem or a temporary guardian upon the occurrence of specified conditions; and
- (7) Clarifying the effective expiration date of the order for persons who return to custody after release.

The Department of Public Safety provided testimony in support of this measure. The Sub-Subway Sandwich Group provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1179, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1179, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1566-14 Finance on S.B. No. 2305

The purpose of this measure is to authorize and appropriate funds for the Department of Defense's Civil Defense Division to assemble twenty-five civilian community teams and to hire a coordinator to establish the teams and ensure that they are properly trained to assist city, state, and federal personnel during man-made or natural disasters.

The State Adjutant General, State Department of Defense, Civil Defense Division of the State Department of Defense, Department of Emergency Management of the City and County of Honolulu, Civil Defense Agency of the County of Hawaii, and a few concerned individuals supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2305, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1567-14 Finance on S.B. No. 2308

The purpose of this measure is to appropriate funds for programs and services for children who have incarcerated parents and assist inmates with reuniting with their families.

The Department of Public Safety, Hawaii Friends of Justice & Civic Education, Hawaii Youth Services Network, Community Alliance on Prisons, and a few individuals provided testimony in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2308, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2308, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1568-14 Finance on S.B. No. 2315

The purpose of this measure is to appropriate funds to the Department of Public Safety to provide substance abuse treatment to inmates of the Halawa Correctional Facility.

The Department of Public Safety, Community Alliance on Prisons, Hawaii Substance Abuse Coalition, and an individual provided testimony in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2315, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2315, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1569-14 Finance on S.B. No. 2884

The purpose of this measure is to clarify the responsibilities and duties of the Hawaii Paroling Authority by:

- (1) Requiring Authority expenditures for the cost and maintenance of committed persons, such as expenditures for funds disbursed to committed persons upon discharge or parole, be authorized and allocated by legislative appropriation;
- (2) Prohibiting the Hawaii Paroling Authority from granting early discharge to an inmate or parolee who is serving any portion of a court-ordered mandatory minimum sentence or owes restitution for an unexpired term; and
- (3) Making discretionary the Hawaii Paroling Authority's decision to consider recommending a complete pardon to a prisoner who has been on parole for at least five years.

The Department of Public Safety, Hawaii Paroling Authority, Office of Hawaiian Affairs, Community Alliance on Prisons, and a few individuals provided testimony in support of this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2884, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2884, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Jordan and Woodson.

SCRep. 1570-14 Finance on S.B. No. 3024

The purpose of this measure is to increase financial resources to support conservation and natural resource protection programs in the State. Specifically, this measure:

- (1) Specifies that \$3,000,000 of Transient Accommodations Tax revenues be allocated to the Special Land and Development Fund, of which an unspecified amount will be allocated to the Conservation and Resources Enforcement Special Fund; and
- (2) Provides that this allocation of the Transient Accommodations Tax revenues be subject to the mutual agreement of the Board of Land and Natural Resources and the Board of Directors of the Hawaii Tourism Authority in accordance with the Hawaii Tourism Authority Strategic Plan, and includes allocations to:
 - (A) The Beach Restoration Special Fund;
 - (B) The State Parks Special Fund;
 - (C) The Hawaii Statewide Trail and Access Program; and
 - (D) The Conservation and Resources Enforcement Special Fund.

The Chamber of Commerce of Hawaii supported this measure. The Department of Land and Natural Resources, Hawaii Tourism Authority, and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3024, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Lowen and Ward.

SCRep. 1571-14 Finance on S.B. No. 2042

The purpose of this measure is to establish and fund the Puerto Rican Exchange Commission to coordinate a cultural exchange program between Hawaii and Puerto Rico to honor and recognize the contributions of the Puerto Rican people and commemorate the arrival of the first Puerto Ricans to Hawaii.

An individual supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and

- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2042, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2042, H.D. 1.

Signed by all members of the Committee except Representatives Lowen and Ward.

SCRep. 1572-14 Finance on S.B. No. 2431

The purpose of this measure is to enhance the operational effectiveness and efficiency of the Hawaii Tourism Authority (Authority) by making permanent the provisions of Act 58, Session Laws of Hawaii 2004, that among other things:

- (1) Exempt the Authority from the supervision of accounts by the Comptroller;
- (2) Allow the Comptroller to request the Authority to provide information when preparing the Comptroller's annual publication of statements;
- (3) Subject the Authority to accounting form requirements only with respect to uniform business and accounting forms of statewide use in the State's accounting system; and
- (4) Require interest and revenues or receipts derived by the Authority from any project or project agreements to be deposited into the Tourism Special Fund.

The Hawaii Tourism Authority and Outrigger Hotels Hawaii supported this measure.

Your Committee has amended this measure by

- (1) Changing its effective date to upon approval; and
- (2) Making a technical, nonsubstantive amendment for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2431, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2431, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Lowen and Ward.

SCRep. 1573-14 Finance on S.B. No. 3053

The purpose of this measure is to support the development of unmanned aerial systems operations in Hawaii by:

- (1) Establishing a Hawaii Unmanned Aerial Systems Test Site Advisory Board, as a subcommittee of the Hawaii Aerospace Advisory Committee, to oversee the planning and operation of the Hawaii Unmanned Aerial Systems Test Site;
- (2) Establishing the position of Hawaii Unmanned Aerial Systems Test Site Chief Operating Officer within the University of Hawaii to manage the operations of the Hawaii Unmanned Aerial Systems Test Site; and
- (3) Making an appropriation to staff and operate the Hawaii Unmanned Aerial Systems Test Site.

The Department of Transportation; Department of Defense; University of Hawaii; Niihau Ranch; International Ventures Associates; three members of the Hawaii Aerospace Advisory Committee; and two concerned individuals testified in support of this measure. The Department of Business, Economic Development, and Tourism; University of Hawaii at Hilo; and the American Civil Liberties Union of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3053, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1574-14 Finance on S.B. No. 2902

The purpose of this measure is to increase the efficiency of the motor vehicle inspection program by expanding the authority of the Director of Transportation over required motor vehicle and motor carrier vehicle inspections by:

- (1) Clarifying the requirements for motor vehicle inspections; and
- (2) Allowing the Director to adopt rules to adjust the costs for inspections and fees collected from inspection stations.

The Department of Transportation supported this measure. The Department of Customer Services of the City and County of Honolulu commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2902, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2902, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Lowen.
(Representative Ward voted no.)

SCRep. 1575-14 Finance on S.B. No. 2731

The purpose of this measure is to create a Car-sharing Vehicle Surcharge Tax by:

- (1) Defining a Car-sharing Organization as a rental motor vehicle lessor that operates a membership program that includes set requirements;
- (2) Assessing the Car-sharing Vehicle Surcharge Tax in a similar manner as the Rental Motor Vehicle and Tour Vehicle Surcharge Tax;
- (3) Specifying that a Car-sharing Organization that is subject to the Car-sharing Vehicle Surcharge Tax will not also be subject to the Rental Motor Vehicle and Tour Vehicle Surcharge Tax; and
- (4) Allowing for the passing on of the Car-sharing Vehicle Surcharge Tax to the payor-organization's members.

The Department of Transportation; Department of Planning and Permitting City and County of Honolulu; EAN Holdings, LLC; Hawaii Energy Policy Forum; Ulu pono Initiative; Car2go; and the Pacific Resource Partnership supported this measure. The Department of Taxation; Department of Health; Office of Planning; Blue Planet Foundation; and Tax Foundation of Hawaii commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2731, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2731, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1576-14 Finance on S.B. No. 3125

The purpose of this measure is to ensure government transparency and accountability by requiring the Auditor to conduct a financial and management audit of the State Foundation on Culture and the Arts.

The Department of Accounting and General Services and the Hawaii State Foundation on Culture and the Arts testified in support of this measure. The Department of Transportation commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3125, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3125, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1577-14 Finance on S.B. No. 2598

The purpose of this measure is to recognize the significant contributions of African Americans in Hawaii and educate Hawaii's residents and visitors about the positive influence that African Americans have had on this State by establishing the Hawaii Commission on African American History and Culture and appropriating funds to the Office of the Governor for the operational expenses of the Commission.

Sisters Empowering Hawaii and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2598, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Lowen.

SCRep. 1578-14 Energy & Environmental Protection/Water & Land on S.B. No. 2658

The purpose of this measure is to complement the uses of utility scale solar energy generation and local food production on agricultural land with

an overall productivity rating of class B or C even if percentage of acreage limits are exceeded, by requiring a special use permit for the solar energy facility which:

- (1) Requires that the area occupied by the facility be made available for compatible agricultural activities at a lease rate that is at least fifty percent below fair market rent for comparable properties; and
- (2) Requires that the facility be decommissioned and removed within twelve months of the conclusion of operations.

The Department of Business, Economic Development, and Tourism; Department of Planning and Permitting City and County of Honolulu; Tin Roof Ranch; and Blue Planet Foundation supported this measure. The Department of Agriculture; Office of Planning; Land Use Commission; First Wind Solar Group; and Hawaii Renewable Energy Alliance commented on this measure.

Your Committees note the concerns that were raised regarding the competing uses on agricultural lands. Accordingly, your Committees have amended this measure by additionally requiring, with respect to special use permits required for solar energy facilities exceeding percentage of acreage requirements on agricultural land with an overall productivity rating of class B or C:

- (1) That the applicant provide proof of financial security to decommission the facility to the satisfaction of the appropriate county planning commission prior to the date of commencement of commercial generation; and
- (2) Decommissioning similar to that currently required under Hawaii law for wind energy facilities, including decommissioning at owner expense, facility removal within twelve months of the conclusion of operations or the facility's useful life, and restoration of the disturbed earth to substantially the same condition as prior to facility development.

Your Committees have also made technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2658, S.D. 3, H.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2658, S.D. 3, H.D. 2.

Signed by all members of the Committee except Representatives Hanohano and Fale.
(Representative Thielen voted no.)

SCRep. 1579-14 Judiciary on S.B. No. 2223

The purpose of this measure is to allow the family court to change a minor child's name in a divorce proceeding if the court determines that either parent has sexually abused the child and the change of name is in the best interest of the child.

The Legal Aid Society of Hawaii, Sex Abuse Treatment Center, and About Face testified in support of this measure. The Family Law Section of the Hawaii State Bar Association and one concerned individual testified in opposition to this measure.

Your Committee has amended this measure by removing the sexual abuse requirement, but still allowing the family court to change a minor child's name in a divorce proceeding if at least one party to the divorce is the parent of that child and such a change is in the best interest of the child.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2223, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2223, H.D. 2.

Signed by all members of the Committee except Representatives Lee, Nakashima and Wooley.

SCRep. 1580-14 Judiciary on S.B. No. 2368

The purpose of this measure is to articulate the Attorney General's duty to represent the public interest in the protection charitable assets by codifying section 3 of the Model Protection of Charitable Assets Act. Specifically, this measure:

- (1) Grants the Attorney General general oversight over charitable assets, regardless of the form in which they are held; and
- (2) Authorizes the Attorney General to use the legal process to prevent misapplication, diversion, waste, or breach of duty in the management of a charitable asset.

The Department of the Attorney General and Commission to Promote Uniform Legislation testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2368, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Lee, Nakashima and Wooley.

SCRep. 1581-14 Consumer Protection & Commerce on S.B. No. 2078

The purpose of this measure is to clarify that private agreements contained in condominium documents for condominiums governed under either chapter 514A or 514B, Hawaii Revised Statutes, may not restrict agricultural uses and activities on agricultural lands.

Furthermore, for condominiums governed under chapter 514B, Hawaii Revised Statutes, this measure requires condominium documents for projects in an agricultural district to state that the documents or projects contain no private restrictions limiting or prohibiting agricultural uses or activities.

Your Committee received testimony in support of this measure from the Real Estate Commission and the Department of Agriculture. Testimony in opposition to the measure was received from one individual. Written comments on the measure were received from the Hawaii Farm Bureau Federation.

Your Committee finds that this measure promotes meaningful agricultural production on land where condominium properties may also be located.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2078, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1582-14 Consumer Protection & Commerce on S.B. No. 2657

The purpose of this measure is to require contractors who install solar energy devices on common elements or limited common elements of buildings under the control of homeowners associations and related entities, to disclose that installation of the solar energy device may void the existing roof warranty.

This measure also requires contractors who install solar energy devices to contact the roof manufacturer for installation instructions or to work with the contractor who guaranteed the roof.

Testimony in support of the measure was submitted by Hawaii Solar Energy Association, Roofing Contractors Association of Hawaii, and one individual. One individual submitted testimony in opposition to this measure.

Your Committee finds that before a solar energy device is installed, homeowners with properties under the control of a homeowners association must first obtain confirmation from the roofing contractor that the installation of a solar energy device by another contractor will not void the existing roof warranty. Since most roofing contractors will not warrant the work of another contractor, this prevents many homeowners from purchasing solar energy devices. Your Committee finds that this measure will establish procedures and disclaimers for the installation of solar energy devices that will not void roof warranties on common or limited common elements, while addressing the concerns of both roofing and solar energy device contractors.

Your Committee has amended the measure by changing the effective date to December 21, 2112, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2657, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2657, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1583-14 Consumer Protection & Commerce on S.B. No. 2467

The purpose of this measure is to expand the scope of podiatric medicine to authorize qualified podiatric physicians to perform ankle fracture surgery, surgically treat leg muscles and tendons that govern foot function, and amputate any part of a patient's foot below the ankle.

Testimony in support of this measure was submitted by the Hawaii Podiatric Medical Association; Hawaii Medical Association; American Podiatric Medical Association; Maui Medical Group; Surgical Associates, Inc; Aloha Family Footcare, LLC dba Maui Family Footcare; and fourteen individuals. The Hawaii Medical Board submitted comments on the measure.

Your Committee finds that forty-five states currently allow podiatrists to perform ankle surgery. Additionally, a typical podiatric resident will perform ten times more foot and ankle surgeries than a typical orthopedic surgical resident. Your Committee finds that expanding the scope of podiatry to include ankle fracture surgery and amending the definition of podiatric medicine to conform to national standards will increase access to medical care without reducing the quality of that care.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2467, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1584-14 Consumer Protection & Commerce on S.B. No. 2491

The purpose of this measure is to replace the term "advanced practice registered nurse recognition" with "advanced practice registered nurse licensure" to align Hawaii law with national standards.

Your Committee received testimony in support of this measure from the Board of Nursing, the University of Hawaii System, the Hawaii State Center for Nursing, the Healthcare Association of Hawaii, the American Association of Nurse Practitioners, and several individuals.

Your Committee finds that advanced practice registered nurses face a barrier to licensure in other states that do not equate Hawaii's statutory "recognition" of advanced practice registered nurse status with "licensure." Your Committee further finds that the titling change provided by this measure does not affect licensure or relicensure requirements or scope of practice for advanced practice registered nurses, but will remove an obstacle to portability

for those advanced practice registered nurses who choose to practice in another state or in multiple states.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2491 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1585-14 Consumer Protection & Commerce on S.B. No. 2233

The purpose of this measure is to amend Act 119, Session Laws of Hawaii 2013, as it relates to the voluntary deregistration of fee non-time share interests registered in the Land Court system.

Specifically, this measure:

- (1) Extends the sunset date of Act 119 for an additional two years; and
- (2) Further clarifies the procedures taken after a certificate of title for a fee time share interest is deregistered and marked as cancelled by the assistant registrar.

The Department of Land and Natural Resources and Department of Accounting and General Services testified in support of this measure. The Judiciary provided comments on this measure.

Your Committee notes the concerns raised by members of the House regarding the increased workload placed on the Bureau of Conveyances. However, the Bureau of Conveyances testified that there is a budget request to fund the permanent staff positions needed to carry out the work that this measure requires. Your Committee supports this budget request as a way to effectuate and carry out the purpose of this bill without creating additional strain on the Bureau to fulfill its other statutory obligations.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2233 and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Evans, Har and Yamane.

SCRep. 1586-14 Finance on S.B. No. 2110

The purpose of this measure is to commit and restore appropriate staffing levels so the Department of Agriculture can properly administer and regulate pesticides in accordance with the Hawaii Pesticides Law by appropriating funds for Fiscal Year 2014-2015 for the Department of Agriculture to hire:

- (1) Two full-time equivalent positions for educational outreach to create a better understanding of pesticide use and reduce pesticide misuse in the community; and
- (2) Six full-time equivalent positions to supplement the work of inspectors on each island of the State and assist in the processing of investigative reports.

The Department of Agriculture, Mayor of the County of Maui, Council Chair of Kauai County Council, Council Vice Chair of Kauai County Council, Council Chair of Maui County Council, Councilmember and Economic Development (Sustainability/Agriculture/Food/Energy) & Intergovernmental Relations Committee Chair of Kauai County Council, three other Councilmembers of Kauai County Council, Hawaii Crop Improvement Association, Planned Parenthood of Hawaii, Babes Against Biotech, and numerous individuals supported this measure. Hawaii Farm Bureau Federation and three individuals commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2110, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1587-14 Finance on S.B. No. 3023

The purpose of this measure is to support the research, development, and marketing of 'ulu, or breadfruit, by appropriating funds for fiscal year 2014-2015 to the Agribusiness Development Corporation for the research, development, and marketing of 'ulu.

The College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa, Department of Agriculture, Hawaii Farm Bureau, Association of Hawaiian Civic Clubs, and an individual supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3023, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3023, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1588-14 Finance on S.B. No. 2975

The purpose of this measure is to support early learning in Hawaii by appropriating funds for the Executive Office on Early Learning to enter into contracts with third-party providers for family-child interaction learning programs as part of a mixed-delivery early learning system to ensure the school readiness of Hawaii's children prior to entering kindergarten.

The Executive Office on Early Learning, Department of Human Services, Department of Education, Kamehameha Schools, Hawaii Association of Independent Schools, Good Beginnings Alliance, Chamber of Commerce of Hawaii, PHOCUSED, Hui for Excellence in Education, and a few individuals testified in support of this measure. The Hawaii Association for the Education of Young Children provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2975, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2975, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1589-14 Finance on S.B. No. 3008

The purpose of this measure is to authorize the issuance of special purpose revenue bonds to assist Anaergia Inc. with the establishment of energy production, waste recovery, and related facilities on the island of Maui, including planning, design, and construction of a material recovery facility, an anaerobic digester, and a facility to convert energy crops into renewable natural gas or renewable electricity.

The Ulupono Initiative and Anaergia Services, LLC supported this measure. An individual opposed this measure. The Department of Budget and Finance commented on this measure.

Your Committee has amended this bill by making:

- (1) The appropriation in an unspecified amount; and
- (2) Technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3008, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3008, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1590-14 Finance on S.B. No. 2905

The purpose of this measure is to:

- (1) Ensure greater fiscal transparency by the University of Hawaii by:
 - (A) Expanding the Department of Budget and Finance's authority to review the operations plan of the University of Hawaii;
 - (B) Expanding the Department of Budget and Finance's authority to modify or withhold the University of Hawaii's planned expenditures; and
 - (C) Requiring the University of Hawaii to obtain legislative authorization prior to any appropriation transfers or changes between programs or agencies;
- (2) Help ensure the fiscal sustainability of the University of Hawaii-West Oahu by prohibiting the sale or gift of land currently being used for the permanent campus of the University of Hawaii at West Oahu without the prior approval of the Legislature by at least a two-thirds majority vote of both houses;
- (3) Address the underrepresentation of Asian Americans and Pacific Islanders in institutions of higher education by:
 - (A) Appropriating funds for 5 part-time graduate student assistant and student employee positions in the Office of Student Equity, Excellence, and Diversity at the University of Hawaii at Manoa to collect and disseminate research relating to Asian American and Pacific Islander students in higher education; and
 - (B) Appropriating funds to provide direct services to undergraduate and graduate students interested in diversity careers relating to student affairs and higher education; and
- (4) Promote greater fiscal accountability by the University of Hawaii by:
 - (A) Repealing the authority of the University of Hawaii Board of Regents to issue revenue bonds to provide adequate parking structures or other facilities; and

- (B) Repealing subpart D of part VI of Chapter 304A, Hawaii Revised Statutes, pertaining to University of Hawaii projects and purposes.

An individual provided testimony in support of this measure. The University of Hawaii provided testimony in opposition to this measure. The Department of the Attorney General; Department of Budget and Finance; University of Hawaii Office of Student Equity, Excellence, and Diversity; and Hawaii Operating Engineers Industry Stabilization Fund provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2905, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2905, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Lowen and Ward.

SCRep. 1591-14 Finance on S.B. No. 2266

The purpose of this measure is to promote efficient housing growth in the State by:

- (1) Authorizing mixed-use developments encompassing commercial or revenue generating opportunities in conjunction with affordable rental projects on the same site;
- (2) Authorizing an exemption from the general excise tax, but not from county surcharges, for affordable housing development as mixed-use projects situated in location-efficient areas;
- (3) Requiring state agencies within such location-efficient areas to enter into a memorandum of understanding with the Department of Business, Economic Development, and Tourism to develop at least one mixed-use project in the area, unless exempted by the Department; and
- (4) Financing the development of affordable rental housing and associated infrastructure by authorizing the issuance of general obligation bonds to fund the Rental Housing Trust and the Dwelling Unit Revolving Fund.

The Chamber of Commerce Hawaii, PHOCUSED, and an individual testified in support of this measure. The Department of Taxation, Hawaii Housing Finance and Development Corporation, Department of Budget and Finance, and Tax Foundation of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2266, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1592-14 Finance on S.B. No. 2265

The purpose of this measure is to increase the supply of public housing units and improve the existing public housing stock in the State by appropriating funds to be expended by the Hawaii Public Housing Authority for these purposes.

The Hawaii Public Housing Authority; BIA-Hawaii; and Community Alliance for Mental Health supported this measure.

Your Committee has amended this measure by:

- (1) Changing the issuance of general obligation bonds to an unspecified amount;
- (2) Inserting the Hawaii Public Housing Authority as the expending agency; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2265, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2265, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1593-14 Finance on S.B. No. 2541

The purpose of this measure is to help meet the increasing need for elderly housing in the State by appropriating funds to the Hawaii Public Housing Authority to:

- (1) Redevelop the Hawaii Public Housing Authority's administrative offices; and
- (2) Construct an elderly-only housing complex at the same location.

The Hawaii Public Housing Authority and the League of Women Voters of Hawaii supported this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2541, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2541, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1594-14 Finance on S.B. No. 2542

The purpose of this measure is to restore funding of the Rental Housing Trust Fund to its pre-recession level by restoring the allocation of 50 percent of Conveyance Tax revenues to the Trust Fund.

The Hawaii Association of REALTORS; PHOCUSED; Hawaii Appleseed Center for Law and Economic Justice; Partners In Care; Catholic Charities Hawaii; and an individual supported this measure. BIA-Hawaii opposed this measure. The Department of Land and Natural Resources; Department of Budget and Finance; Hawaii Housing Finance and Development Corporation; Tax Foundation of Hawaii; Chamber of Commerce Hawaii; and an individual provided comments.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2542, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2542, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1595-14 Finance on S.B. No. 2533

The purpose of this measure is to address Hawaii's affordable housing needs through the appropriation of funds and the issuance of general obligation bonds.

More specifically, this measure:

- (1) Appropriates moneys to the Hawaii Public Housing Authority to improve the existing public housing stock and increase the supply of public housing units in the State;
- (2) Authorizes the issuance of general obligation bonds for deposit into the rental housing trust fund and the dwelling unit revolving fund and appropriates moneys out of those funds to finance affordable rental housing development and infrastructure development;
- (3) Appropriates moneys to the Hawaii Housing Finance and Development Corporation for the construction of micro apartment housing units;
- (4) Appropriates moneys to the Department of Hawaiian Home Lands for the construction of housing for beneficiaries on Hawaiian home lands; and
- (5) Appropriates moneys to the Hawaii Housing Finance and Development Corporation to build affordable housing projects for veterans.

The Hawaii Public Housing Authority; Community Alliance for Mental Health; PHOCUSED; Partners In Care; BIA-Hawaii; Hawaii Appleseed Center for Law and Economic Justice; Catholic Charities Hawaii; and an individual supported this measure. The Department of Budget and Finance; Hawaii Housing Finance and Development Corporation; and an individual commented on this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2533, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2533, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1596-14 Finance on S.B. No. 2589

The purpose of this measure is to transfer law enforcement functions and authority related to harbors law enforcement from the Department of Transportation to the Department of Public Safety.

The Department of Public Safety provided testimony in support of this measure. The Department of Transportation and Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Specifying that all powers, functions, and duties of the Harbors Division of the Department of Transportation related to law enforcement, including those of the state harbors civil violations system, are transferred to the Department of Public Safety; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2589, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2589, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1597-14 Finance on S.B. No. 2391

The purpose of this measure is to address recreational land management problems on the island of Oahu by establishing a two-year pilot project within the Department of Land and Natural Resources to identify and implement strategies for the resolution of user conflicts on public recreational lands.

The Department of Land and Natural Resources testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2391, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1598-14 Finance on S.B. No. 2876

The purpose of this measure is to propose an amendment to the Hawaii State Constitution to authorize the State to issue special purpose revenue bonds and use the proceeds from the bonds to offer loans to qualifying dam and reservoir owners to improve their facilities.

The Department of Budget and Finance, Department of Land and Natural Resources, Land Use Research Foundation of Hawaii, Maui County Farm Bureau, Hawaii Farm Bureau, The Chamber of Commerce of Hawaii, Alexander & Baldwin, Inc., Hawaiian Commercial & Sugar Company, Hawaii Cattlemen's Council, and the Hawaii Section of the American Society of Civil Engineers supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2876, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1599-14 Finance on S.B. No. 2877

The purpose of this measure is to:

- (1) Specify that no use permit issued to a corporation or other business entity for a state small boat harbor facility may be transferred unless specifically provided by law;
- (2) Exempt transfers of stock or interest in a corporation or other business entity between spouses or first-generation lineal descendants from paying the passenger-carrying capacity business transfer fee to the Department of Land and Natural Resources; and
- (3) Specify that a person who is part of a controlled group possessing a valid commercial permit may transfer stock or other interest to another person without terminating the right of the corporation or business entity to retain or renew its commercial permit if the transferee retains 80 percent control of the transferor.

The Department of Land and Natural Resources supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2877, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1600-14 Finance on S.B. No. 2082

The purpose of this measure is to:

- (1) Clarify that the fee schedule in Section 501-218, Hawaii Revised Statutes, is not intended to be a comprehensive schedule of all fees payable under Chapter 501, Hawaii Revised Statutes, relating to land court registration; and

- (2) Authorize the Hawaii Supreme Court, Department of Land and Natural Resources, and Department of Accounting and General Services, by rule, to revise, amend, add to, or eliminate fees for services provided by the Land Court, Bureau of Conveyances, or State Land Surveyor.

The Judiciary, Department of Land and Natural Resources, and Department of Accounting and General Services supported this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making a technical, nonsubstantive amendment for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2082, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2082, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1601-14 Finance on S.B. No. 2953

The purpose of this measure is to allocate to the Department of Hawaiian Home Lands 100 percent of the royalties received by the State from geothermal resources located on lands under the jurisdiction of the Department.

The Department of Hawaiian Home Lands, Association of Hawaiian Civic Clubs, and a few individuals provided testimony in support of this measure. The Office of Hawaiian Affairs, Department of Land and Natural Resources, and Indigenous Consultants LLC provided comments.

Your Committee has amended this measure by:

- (1) Changing the percentage of royalties allocated to the Department of Hawaiian Home Lands from geothermal resources from 100 percent to an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2953, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2953, S.D. 1, H.D. 3.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1602-14 Finance on S.B. No. 3121

The purpose of this measure is to require legislative approval of any exchange of public land for private land by majority vote of both houses of the Legislature.

The Department of Land and Natural Resources provided comments on this measure.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3121, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3121, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.
(Representative Ward voted no.)

SCRep. 1603-14 Finance on S.B. No. 2742

The purpose of this measure is to initiate the Pacific-Asia Institute for Resilience and Sustainability to address issues, including climate change, environmental degradation, public health, sustainable use of natural resources, critical infrastructure protection, and cyber resilience.

The State Department of Defense, Department of Emergency Management of the City and County of Honolulu, Referentia Systems Incorporated, Hawaiian Telecom, AT&T, Global Partnerships Forum, ACTT, and a few individuals provided testimony in support of this measure. The Department of the Attorney General and Office of Planning provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2742, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1604-14 Finance on S.B. No. 2920

The purpose of this measure is to protect Hawaii's environment, agriculture, and economy, and the health of Hawaii's residents and visitors from the devastating effects of the invasive little fire ant.

Specifically, this measure provides funding for the following:

- (1) A Hawaii County Department of Parks and Recreation pilot project to, among other things, test pesticides and develop model strategies for controlling and eradicating the little fire ant;
- (2) The University of Hawaii's Hawaii Ant Lab of the Pacific Cooperative Studies Unit's canine detection pilot program to assist in the detection of new little fire ant populations and eradications of little fire ant sites; and
- (3) The Hawaii Invasive Species Council to implement a statewide public awareness and education campaign to assist in the prevention and eradication of little fire ants.

The County of Hawai'i Department of Research and Development, Big Island Invasive Species Committee, Oahu Invasive Species Committee, Maui Invasive Species Committee, Hawaii Farm Bureau, Hawaii Cattlemen's Council, a Hawai'i County Council Member, and several concerned individuals testified in support of this measure. The Department of Land and Natural Resources and Department of Agriculture provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2920, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1605-14 Finance on S.B. No. 2294

The purpose of this measure is to provide a reliable irrigation system to ensure that Hawaii's crops receive a steady and dependable supply of water by authorizing the issuance of general obligation bonds in an unspecified amount for capital improvements to irrigation systems and associated agricultural management facilities in the State.

The Hawaii Farm Bureau Federation; Local Food Coalition; Sugarland Growers, Inc.; Land Use Research Foundation of Hawaii; and the Hawaii Cattlemen's Council supported this measure. The Department of Budget and Finance, Department of Agriculture, and the Agribusiness Development Corporation commented on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriation apply to an unspecified fiscal year to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2294, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2294, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1606-14 Finance on S.B. No. 2540

The purpose of this measure is to assist low-income and homeless individuals in obtaining affordable rental housing by establishing a Rental Deposit Loan Program within the Department of Human Services. Specifically, this Program will allow low-income and homeless individuals to obtain loans for the payment of rental housing security deposits and amounts owed for the payment of first month's rent.

The Hawaii Substance Abuse Coalition, Housing Hawaii, Community Alliance for Mental Health, United Self Help, EAH Housing Hawaii, and an individual testified in support of this measure. The Department of Human Services, PHOCUSED, Catholic Charities Hawaii, and Hawaii Association of REALTORS provided comments.

Your Committee has amended this measure by:

- (1) Clarifying that deductions taken from a security deposit shall only be taken to the extent permitted by the rental agreement;
- (2) Clarifying that the tenant is responsible for providing notice to the appropriate legal agency or organization when a deduction occurs; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2540, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2540, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lowen, Yamashita and Ward.

SCRep. 1607-14 Finance on S.B. No. 2424

The purpose of this measure is to provide air-conditioning in public schools by:

- (1) Requiring the Department of Education and Department of Accounting and General Services, in consultation with the Hawaii State Energy Office of the Department of Business, Economic Development, and Tourism and the Hawaii Natural Energy Institute of the University of Hawaii, to jointly develop a master strategy for cooling all public school facilities and conduct a comprehensive study;
- (2) Requiring the Department of Education and Department of Accounting and General Services to submit a report to the Legislature before the Regular Session of 2015;
- (3) Appropriating funds for the development of the master strategy; and
- (4) Authorizing the issuance of general obligation bonds to fund projects that demonstrate efficient methods to air-condition classrooms.

The Department of Education; Hawaii State Teachers Association; Kaunakakai Elementary School; Hui for Excellence in Education; and numerous individuals supported this measure. The Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Hawaii Natural Energy Institute at the University of Hawaii at Manoa; and an individual commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2424, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2424, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1608-14 Finance on S.B. No. 2397

The purpose of this measure is to encourage agricultural innovation and support businesses in the agriculture industry by:

- (1) Establishing an agricultural technology park to be developed and administered by the Board of Directors of the High Technology Development Corporation on specific parcels of land;
- (2) Including the development of the agricultural technology park under the duties of the High Technology Development Corporation; and
- (3) Appropriating an unspecified amount for the establishment of the agricultural technology park.

The Department of Agriculture; Sugarland Growers, Inc.; Wahiawa Community & Business Association; and several individuals supported this measure. The High Technology Development Corporation and the Hawaii Farm Bureau commented on this measure.

Your Committee has amended this measure by changing the appropriation to an unspecified fiscal year, to facilitate further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2397, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2397, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1609-14 Finance on S.B. No. 2198

The purpose of this measure is to create a Renewable Fuels Task Force within the Department of Business, Economic Development, and Tourism to perform a feasibility study and make recommendations to the Legislature on:

- (1) Potential changes to the existing requirement that locally produced renewable fuels account for at least ten percent of a distributor's annual sales of fuels for motor vehicles;
- (2) Requiring a mixture of up to five percent of locally produced biofuels in purchasable diesel fuels; and
- (3) Locally produced renewable fuels that meet relevant international specifications.

Hawaii Renewable Energy Alliance; Alliance of Automobile Manufacturers; American Chemistry Council; Pacific Biodiesel Technologies; and an individual supported this measure. The Department of Business, Economic Development, and Tourism; Chevron; Hawaii Independent Energy; and Hawaii Auto Dealers Association commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2198, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1610-14 Finance on S.B. No. 2663

The purpose of this measure is to:

- (1) Ensure regulation of geothermal resources development in the State through a permitting process based on land use classification that is to be administered by the Board of Land and Natural Resources and the appropriate county authorities; and
- (2) Prohibit and establish penalties for hydraulic fracturing and the collection, storage, treatment, or discharge of wastewater from hydraulic fracturing within the State through July 1, 2025.

An individual provided testimony in support of this measure. An individual provided testimony in opposition to this measure. The Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Puna Pono Alliance; Indigenous Consultants, LLC; and a few individuals provided comments on this measure.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2663, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2663, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1611-14 Finance on S.B. No. 2039

The purpose of this measure is to appropriate funds to the College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa for its cooperative extension service.

The Hawaii Farm Bureau, Hawaii Cattlemen's Council, Hawaii Farmers Union United, Ulupono Initiative, and several individuals supported this measure. The College of Tropical Agriculture and Human Resources at the University of Hawaii at Manoa and the Department of Agriculture commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2039, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1612-14 Finance on S.B. No. 3092

The purpose of this measure is to support the establishment of a state-of-the-art, college-level aviation training program in Hawaii by appropriating funds for a program coordinator and technical support staff member to complete the planning required for an international flight training center and associated aeronautical training programs at the University of Hawaii at Hilo and Hawaii Community College.

The Department of Transportation; Department of Business, Economic Development, and Tourism; Department of Defense; University of Hawaii at Hilo; the Mayor of the County of Hawaii; County of Hawaii Department of Research and Development; a Hawaii County Councilmember; Hawaii TechWorks; and several individuals supported this measure.

Your Committee has amended this measure by changing the appropriation to an unspecified fiscal year to facilitate further discussion. Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3092, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3092, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1613-14 Finance on S.B. No. 2472

The purpose of this measure is to improve the regulation of occupational therapists and occupational therapist assistants by:

- (1) Establishing an Occupational Therapy Program and requiring the licensure of occupational therapists and occupational therapist assistants; and
- (2) Appropriating funds to implement the Occupational Therapy Program.

The Department of Commerce and Consumer Affairs, Regulated Industries Complaints Office, Occupational Therapy Association of Hawaii, American Occupational Therapy Association, The Queen's Medical Center, Rehabilitation Hospital of the Pacific, and numerous concerned individuals

testified in support of this bill.

Your Committee has amended this measure by making technical, nonsubstantive changes for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2472, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2472, S.D. 2, H.D. 3.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1614-14 Finance on S.B. No. 2442

The purpose of this measure is to help meet the current and projected needs for affordable housing in Hawaii by appropriating monies to the Rental Housing Trust Fund for the construction of micro units, family units, and elder housing units to be leased to individuals and families meeting certain income requirements.

The Department of Community Services of the City and County of Honolulu, Chamber of Commerce Hawaii, Building Industry Association of Hawaii, Partners in Care, League of Women Voters of Hawaii, PHOCUSED, Catholic Diocese Office for Social Ministry, Hawaii Primary Care Association, Hawaii Appleseed Center for Law and Economic Justice, Hawaii Association of REALTORS, Catholic Charities Hawaii, and the CHOW Project testified in support of this measure. The Hawaii Housing Finance and Development Corporation provided comments on this measure.

Your Committee has amended this measure by making:

- (1) The appropriation apply to an unspecified fiscal year; and
- (2) Technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2442, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2442, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1615-14 Finance on S.B. No. 2799

The purpose of this measure is to:

- (1) Authorize the Hawaii Housing Finance and Development Corporation (HHFDC) Board of Directors to set the salary of the HHFDC Executive Director;
- (2) Provide flexibility to the HHFDC Board to withhold or alter the benefits package of the HHFDC Executive Director in exchange for a higher salary; and
- (3) Require the HHFDC Board to submit a report to the Legislature no later than 20 days prior to the convening of the regular session immediately following each adjustment of the HHFDC Executive Director's salary.

The HHFDC Board and the Department of Business, Economic Development, and Tourism supported this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2799, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1616-14 Finance on S.B. No. 2916

The purpose of this measure is to strengthen the authority of the Employees' Retirement System (ERS) to obtain needed information from the State and counties by:

- (1) Requiring, rather than authorizing, ERS to obtain needed information from any State or county agency in an electronic format specified by the ERS;
- (2) With respect to payroll and personnel transactions, requiring that the information provided to ERS include any changes or errors in payments that require correcting or updating;
- (3) Giving a State or county agency 180 days from the date of receipt of notice regarding a change in the required ERS format to comply with the new requirements;
- (4) Establishing financial penalties for State or county agency noncompliance in submitting the required information to the ERS, including the accrual of interest; and

- (5) Requiring ERS to submit an annual report to the Department of Budget and Finance and the Legislature regarding noncompliant State or county departments or agencies, penalty amounts payable, any anticipated amounts payable in the upcoming fiscal year, and identification of any state budget program that may be affected.

The ERS Board of Trustees supported this measure. The City and County of Honolulu opposed this measure. The Department of Budget and Finance and the Department of Education commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2916, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1617-14 Finance on S.B. No. 3036

The purpose of this measure is to address erosion on Oahu's North Shore by requiring the University of Hawaii Sea Grant College Program to create a North Shore Beach Management Plan for the area stretching from the Kawailoa to Waialeale ahupuaa and appropriating funds for the development of the plan.

The Sea Grant College Program of the University of Hawaii at Manoa; Department of Design and Construction, City and County of Honolulu; Surfrider Foundation; and numerous individuals supported this measure. The Department of Land and Natural Resources commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3036, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1618-14 Finance on S.B. No. 3103

The purpose of this measure is to provide fair and equitable funding of the statewide 911 system by establishing an E911 surcharge similar to the enhanced 911 surcharge imposed on postpaid wireless communications services to be imposed on each retail transaction of prepaid wireless communications service.

The Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs; Hawaii Police Department; and I Love Kalihi Valley provided testimony in support of this measure. The Hawaii Food Industry Association and two individuals provided testimony in opposition to this measure. The Department of Accounting and General Services; Department of the Attorney General; Maui Police Department; Honolulu Police Department; Tax Foundation of Hawaii; T-Mobile USA, Inc.; Verizon; AT&T; and CTIA Wireless Association provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3103, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1619-14 Finance on S.B. No. 2968

The purpose of this measure is to establish a temporary income tax credit for qualified hotel construction and renovation costs.

The Hawaii Tourism Authority; Maui Hotel & Lodging Association; Hawaii Lodging & Tourism Association; Wyndham Vacation Ownership; Ritz-Carlton Hotels, Kapalua; and Outrigger Enterprises Group testified in support of this measure. The Department of Taxation; Tax Foundation of Hawaii; and Hawaii Regional Council of Carpenters provided comments.

Your Committee has amended this measure by:

- (1) Replacing language requiring the Department of Business, Economic Development, and Tourism to certify costs that form the basis of a claim for the credit with language requiring that taxpayers, in order to claim the credit, complete a survey certified by the Department of Business, Economic Development, and Tourism, to assist with data-gathering and analysis of the tax credit's effect;
- (2) Requiring that claimants for a tax credit comply with State law regarding the wages and hours of employees on public works, including the submission of certified payrolls to the Department of Labor and Industrial Relations; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2968, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2968, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Lowen and Ward.

SCRep. 1620-14 Finance on S.B. No. 3026

The purpose of this measure is to authorize the issuance of general obligation bonds to finance the design, plans, and construction of more efficient irrigation and livestock water distribution systems, including storage reservoirs and a water collection system, for the Waimea-Paauilo Watershed Project on the Island of Hawaii.

The Hawaii Department of Agriculture, Ulupono Initiative, and a concerned individual testified in support of this measure.

Your Committee has amended this measure by making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3026, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3026, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1621-14 Finance on S.B. No. 3063

The purpose of this measure is to require the Department of Land and Natural Resources to convene a temporary working group to develop an action plan to preserve natural, cultural, and historic resources in Waipio Valley.

Pohaha I Ka Lani, Restore Hawaii, and several individuals provided testimony in opposition to this measure. The Department of Land and Natural Resources, Bernice Pauahi Bishop Museum, and a few individuals provided comments.

Your Committee has amended this measure by amending the membership of the working group to:

- (1) Delete the Agribusiness Development Corporation, Mayor of the County of Hawaii, Hawaiian Islands Land Trust, Kamehameha Schools, Board of Land and Natural Resources, and one landowner in Waipio Valley to be selected by the Board of Land and Natural Resources;
- (2) Delete the authority of the chair of the working group to add members who are deemed necessary; and
- (3) Include the Kukuihaele-Waipio Community Association; non-commercial taro farmers, Waipio Valley small land owners, Friends of the Future, Kanu o ka Aina Learning Center, Hawaii County Council, Mauna Kea soil and water conservation district, Legislature, and Waipio Valley kupuna as members.

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

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3063, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3063, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1622-14 Finance on S.B. No. 3065

The purpose of this measure is to appropriate funds for the Department of Budget and Finance to investigate and, if appropriate, execute an exchange of existing state land for certain parcels of land currently owned by Dole Food Company, Inc., that contain important watershed, forest reserve, and agricultural land.

The Hawaii Farm Bureau; Wahiawa Community and Business Association; Sugarland Growers, Inc.; and numerous individuals testified in support of this measure. The Department of Land and Natural Resources, the Department of Agriculture, and the Chamber of Commerce Hawaii offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3065, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3065, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1623-14 Consumer Protection & Commerce/Judiciary on S.B. No. 2913

The purpose of this measure is to protect Hawaii's coffee industry, producer of one of the top commodities in the State, from counterfeiting by expanding the scope of the offense of False Labeling of Hawaii-Grown Coffee to include:

- (1) The false labeling of natural coffee, roasted coffee, and instant coffee, in addition to green coffee, cherry coffee, or parchment coffee with regard to geographic origin; and
- (2) The false labeling of those coffees specified above with regard to grade standard classification, or the use of geographic origin in the labeling of roasted or instant coffee if the green coffee beans used in the roasted or instant coffee do not meet grade standard classifications for Hawaii-grown coffee.

Greenwell Farms; Hawaii Coffee Association; Dole Wailua Estate; Intelligent Blends; Royal Kona Coffee Visitor Center Mill & Museum; Harold L. King & Co., Inc.; Hawaii Farm Bureau; Captain Cook Coffee Co.; Hawaii Coffee Growers Association; and numerous individuals testified in support of this measure. The Department of Agriculture and Kona Rising Coffee Company testified in support of the intent of this measure. Kona Coffee Farmers Association; Lions Gate Farms; Makua Coffee; Hawaii Farmers Union United; and numerous individuals testified in opposition to this measure. The Annex; ATHENA of HAWAII, LLC; and an individual provided comments on this measure.

Your Committees have amended this measure by:

- (1) Deleting the language relating to the false labeling of:
 - (A) Natural coffee with regard to geographic origin; and
 - (B) Grade standard classifications;
- (2) Amending Chapter 486, Hawaii Revised Statutes, relating to Measurement Standards instead of the Hawaii Penal Code to include:
 - (A) Certain civil fines for violations of the labeling requirements for less than one hundred pounds of Hawaii-grown roasted or instant coffee; and
 - (B) The false labeling of one hundred pounds or more of Hawaii-grown roasted or instant coffee as a class C felony;
- (3) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2913, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2913, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Cachola, Har, Lee and McDermott.

SCRep. 1624-14 Consumer Protection & Commerce on S.B. No. 2492

The purpose of this measure is to amend various sections of the Hawaii Revised Statutes to enable advanced practice registered nurses to practice to the fullest extent of their training and education.

Your Committee received testimony in support of this measure from the Board of Nursing, Hawaii State Center for Nursing, Healthcare Association of Hawaii, American Association of Nurse Practitioners, and fourteen individuals. Written comments on the measure were received from the Disability and Communication Access Board.

Your Committee finds that various sections of the Hawaii Revised Statutes omit advanced practice registered nurses from the definitions or designations of health care entities who may provide health care, prescribe drugs, or sign forms. Your Committee believes that these statutes are outdated and should be amended to authorize increased participation by advanced practice registered nurses as primary care providers.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2492, S.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1625-14 Consumer Protection & Commerce on S.B. No. 2577

The purpose of this measure is to require, beginning December 31, 2017, naturopathic physicians to complete a minimum of 35 hours of continuing education courses, including a minimum of 15 hours of continuing education courses in pharmacology, during each licensing renewal biennium.

The Board of Naturopathic Medicine (Board), Hawaii Medical Association, Healthcare Association of Hawaii, and numerous individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Requiring the Board to design standards and methodology for naturopathic physicians to report and track quality metrics and healthcare outcomes;
- (2) Requiring the Board to report on the data collection of quality metrics and healthcare outcomes to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015 and every year thereafter;

- (3) Requiring naturopathic physicians to carry medical liability insurance coverage of not less than \$1,000,000 per occurrence or \$3,000,000 in the aggregate, regardless of source and amount of patient compensation;
- (4) Changing its effective date to July 1, 2014; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2577, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2577, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1626-14 Judiciary on S.B. No. 2729

The purpose of this measure is to make operating a motor vehicle while using a mobile electronic device a traffic infraction subject to a fine of:

- (1) Not less than \$250, to be deposited into the State Highway Fund; and
- (2) \$400, to be paid to the Director of Finance, for operating a motor vehicle while using a mobile electronic device in a school zone or construction area.

The Honolulu Police Department; Hawaii Bicycling League; Kauai Path, Inc.; and several concerned individuals supported the bill. The Department of Transportation and a concerned individual opposed the measure.

Your Committee recognizes that some ambiguity exists regarding what is specifically required to obtain federal highway funds from the United States Department of Transportation, exactly how the State currently fails to comply with such requirements, and how much money the State would receive from compliance with the unspecified requirements. Your Committee respectfully encourages further discussion of these concerns as this measure advances through the legislative process.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2729, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Belatti, Brower, Har and Ito.

SCRep. 1627-14 Finance on S.B. No. 2241

The purpose of this measure is to improve protections for wetland taro lands and ancient wetland agricultural structures on undeveloped state owned or acquired lands by:

- (1) Creating a classification of taro lands that have cultural, social, economic, and food self-sufficiency value within the land classification structure of the Board of Land and Natural Resources (Board) and specifying that lands so classified are not subject to a district boundary amendment;
- (2) Including within the permitted uses of agricultural lands classified as overall productivity rating class A or B the retention, restoration, rehabilitation, or improvement of walls, terraces, and supporting structures for taro fields;
- (3) Prohibiting the Board, in its process of designating land for residential development projects, from:
 - (A) Disturbing existing taro-growing systems, ancient wetland taro lands, or structural elements of ancient wetland taro-growing systems on undeveloped lands; and
 - (B) Acquiring lands and infrastructure used or to be used for wetland taro-growing;
- (4) Including the objective of growth and perpetuation of traditional Hawaiian crops within the State Planning Act's goals for the State's economy with regard to agriculture; and
- (5) Authorizing the Board, in conjunction with the Taro Security and Purity Task Force, to create an inventory identifying taro lands that would be included in the Board's taro land classification.

The Office of Hawaiian Affairs, Taro Security and Purity Task Force, Association of Hawaiian Civic Clubs, E Kupaku Ka Aina, Ka Lei Maile Alii Hawaiian Civic Club, Hawaiian Affairs Caucus of the Democratic Party of Hawaii, and several individuals provided testimony in support of this measure. The Land Use Research Foundation of Hawaii provided testimony in opposition to this measure. The Department of Land and Natural Resources and several individuals provided comments.

Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2030, for the purpose of facilitating further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2241, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2241, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1628-14 Finance on S.B. No. 2296

The purpose of this measure is to responsibly facilitate the leasing of certain agricultural and non-agricultural park lands by authorizing the Department of Agriculture to select and negotiate with qualifying applicants as back-up lessees should the initial awardee fail to complete the lease process; provided that with respect to agricultural park lands:

- (1) The applicant must have submitted a sealed bid with the next highest offer to qualify as a back-up lessee, subject to negotiations with the Department; and
- (2) The Department, among other things, determines that the applicant will promote the goals of the increased food security and food self-sufficiency strategy, as established by the Office of Planning.

The Department of Agriculture offered comments on this measure.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2296, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2296, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1629-14 Finance on S.B. No. 2343

The purpose of this measure is to protect Hawaii's environment and economy and the health and lifestyle of its people by appropriating \$5,000,000 for fiscal year 2014-2015 to the Department of Land and Natural Resources for projects undertaken in accordance with the Hawaii Invasive Species Council for invasive species prevention, control, outreach, research, and planning.

The Mayor of the County of Maui, Council Chair of Maui County Council, Department of Health, Land Use Research Foundation of Hawaii, The Nature Conservancy, Hawai'i Green Growth, Kauai Watershed Alliance, Oahu Invasive Species Committee, Hawaii Cattlemen's Council, and an individual supported this measure. The Office of Planning, Department of Land and Natural Resources, Department of Agriculture, Hawaii Farm Bureau, and Hawaii Floriculture and Nursery Association commented on this measure.

Your Committee has amended this bill by:

- (1) Making the appropriation in an unspecified amount; and
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2343, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2343, H.D. 1.

Signed by all members of the Committee.

SCRep. 1630-14 Finance on S.B. No. 2250

The purpose of this measure is to amend state law regarding the solicitation of contributions from the public by:

- (1) Requiring certain disclosures on collection boxes that are owned and operated by a charitable organization exempt from income tax under section 501(c)(3) of the Internal Revenue Code (IRC), a professional solicitor, or a for-profit organization that is not a professional solicitor or an organization that is not a charitable organization exempt from income tax under section 501(c)(3) of the IRC;
- (2) Clarifying registration requirements for Hawaii public benefit corporations and charitable organizations not exempted by section 467B-11.5, Hawaii Revised Statutes (HRS);
- (3) Authorizing the Attorney General to require electronic financial reporting by charitable organizations;
- (4) Imposing fines for the filing of late financial reports by professional solicitors;

- (5) Amending the time period in which a commercial co-venturer must provide a final accounting to a charitable organization;
- (6) Establishing penalties that the Attorney General may impose on commercial co-venturers for violations of Chapter 467B, HRS, relating to solicitation of funds from the public;
- (7) Amending the amount of the filing fee for reports submitted by charitable organizations to the Department of the Attorney General; and
- (8) Clarifying exemptions from registration requirements that apply to certain charitable organizations.

The Office of Consumer Protection of the Department of Commerce and Consumer Affairs supported this measure. The Department of the Attorney General commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2250, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1631-14 Finance on S.B. No. 3094

The purpose of this measure is to amend the general powers and limitations of the counties by:

- (1) Allowing each county to impose and enforce liens upon premises served for unpaid water or sewer charges after timely pre-lien notice of delinquency, failure to make payment, and opportunity for a hearing;
- (2) Requiring a county to adopt ordinances or rules to impose and enforce liens before the county may exercise such authority;
- (3) Specifying that the delinquent charges that may be the basis of such liens shall not commence or accrue until the date of the pre-lien notice of delinquency; and
- (4) Repealing the authority of the county to take over, from the State, existing waterworks and sewer systems and enlarge, develop, and improve those systems.

The Board of Water Supply of the City and County of Honolulu and Department of Water Supply of the County of Hawaii testified in support of this measure. The Hawaii Association of REALTORS provided comments.

Your Committee has amended this measure by:

- (1) Clarifying lien procedures to require that a county provide reasonable notice, to the property owner or agent, which includes access to account information of the delinquent account to the extent permitted by law, before it may impose and enforce a lien upon the premises for any unpaid water or sewer charges;
- (2) Deleting the requirement that the delinquent charges that may be the basis of a lien shall not commence or accrue until the date of the pre-lien notice of delinquency; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3094, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3094, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1632-14 Finance on S.B. No. 2832

The purpose of this measure is to:

- (1) Expand the list of businesses receiving a federal Small Business Innovation Research Program award or contract that may qualify to receive grants from the High Technology Development Corporation; and
- (2) Change the ceiling amount for a single transfer of funds from the Hawaii Capital Loan Revolving Fund to an unspecified amount.

No testimony was received for this measure.

Your Committee has amended this measure by:

- (1) Making an appropriation in an unspecified amount to the High Technology Development Corporation for high technology research and development loans and grants; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2832, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2832, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1633-14 Finance on S.B. No. 3066

The purpose of this measure is to create a means and process to use the skills and assets of both the public and private sectors to deliver services and facilities for the economic, environmental, and social benefit of the people of Hawaii by establishing a public-private finance initiative to identify a suitable project to be undertaken by the public-private finance initiative, conduct appropriate analyses of the project, enter into public-private partnership agreements, and provide leadership for the project.

Several individuals supported this measure. The Department of Budget and Finance; Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; State Procurement Office; and Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3066, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.
(Representative Ing voted no.)

SCRep. 1634-14 Finance on S.B. No. 2858

The purpose of this measure is to promote the use of environmental information systems and new management innovation by establishing the Environmental Information Management Office within the Department of Health.

The Department of Health; Department of Business, Economic Development, and Tourism; Office of Information Management and Technology; and the Office of Environmental Quality Control supported this measure. The Department of Transportation and Chamber of Commerce Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2858, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1635-14 Finance on S.B. No. 3093

The purpose of this measure is to appropriate funds to the University of Hawaii at Hilo to establish staff positions within the 'Imiloa Astronomy Center and otherwise support academic and career planning programs according to its memorandum of understanding with the Revealing Individual Strengths for Excellence (RISE) 21st Century After School Program.

The Keaukaha Community Association, RISE 21st Century After School Program, and a few individuals provided testimony in support of this measure. The University of Hawaii at Hilo and 'Imiloa Astronomy Center of Hawaii provided comments.

Your Committee has amended this measure by inserting an unspecified number for the youth program specialist and experience director positions funded by the appropriation.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3093, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3093, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1636-14 Finance on S.B. No. 2434

The purpose of this measure is to:

- (1) Specify additional duties for the Alzheimer's Disease and Related Dementia Services Coordinator position; and
- (2) Appropriate funds to establish a full-time position in the Executive Office on Aging to assist the Coordinator with information and referral, counseling, education, support groups, and safety services.

The ILWU Local 142, Hawaii Primary Care Association, Zonta Club of Hilo, Community Alliance for Mental Health, United Self Help, and a few individuals provided testimony in support of this measure. The Executive Office on Aging and the Alzheimer's Association, Aloha Chapter provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with

the intent and purpose of S.B. No. 2434, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee.

SCRep. 1637-14 Finance on S.B. No. 2054

The purpose of this measure is to ensure the provision of quality health care for all Hawaii residents by, among other things:

- (1) Requiring health insurers, mutual benefit societies, and health maintenance organizations to provide coverage for screening, diagnosis, and treatment of autism spectrum disorders up to a maximum benefit of \$50,000 per year and a maximum lifetime benefit of \$300,000, with adjustments for inflation, for individuals under 18 years of age;
- (2) Requiring the University of Hawaii Economic Research Organization to contract for the performance of an actuarial analysis of the projected costs of providing insurance coverage for screening, diagnosis, and treatment of autism spectrum disorders; and
- (3) Appropriating funds to contract for the performance of the actuarial analysis.

The Department of Health; State Council on Developmental Disabilities; Special Education Advisory Council; Hawaii Association for Behavior Analysis; Hawaii Medical Association; Hawaii Disability Rights Center; KJN Corporation; Hino's Hairstyles; BAYADA Home Health Care; UNITE HERE, Local 5; and numerous individuals supported this measure. Hawaii Medical Service Association opposed this measure. The Department of Human Services; Department of Budget and Finance; University of Hawaii Economic Research Organization; Chamber of Commerce of Hawaii; National Association of Social Workers, Hawaii Chapter; Autism Speaks; Hawaii Association of Health Plans; Community Children's Council of Hawaii; Kaiser Permanente Hawaii; and numerous individuals commented on this measure.

Your Committee has amended this measure by:

- (1) Inserting blank amounts for the maximum yearly benefit and the maximum lifetime benefit;
- (2) Inserting an unspecified age limit for required coverage; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2054, S.D. 3, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2054, S.D. 3, H.D. 3.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1638-14 Finance on S.B. No. 2346

The purpose of this measure is to provide necessary services and support programs for the health and well-being of Hawaii's older population by:

- (1) Appropriating funds to the Department of Health for the Kupuna Care Program, Aging and Disability Resource Center, and Healthy Aging Partnership Program; and
- (2) Requiring the Department of Health Executive Office on Aging to conduct a public education and awareness campaign on long-term care and appropriating funds for this purpose.

Child and Family Service, Catholic Charities Hawaii, and Lanakila Pacific supported this measure. The Executive Office on Aging commented on this measure.

Your Committee has amended this measure by:

- (1) Making the appropriations in unspecified amounts;
- (2) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making a technical, nonsubstantive amendment for clarity and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2346, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2346, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1639-14 Finance on S.B. No. 2866

The purpose of this measure is to make an emergency appropriation to the Hawaii Health Systems Corporation for necessary operational costs pursuant to Governor's Message No. 190, and in accordance with section 9 of Article VII of the Hawaii State Constitution.

The Hawaii Health Systems Corporation supported this measure.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2030, to facilitate further discussion; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2866, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2866, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1640-14 Finance on S.B. No. 2436

The purpose of this measure is to maximize the impact of state policies, land, and resources in support of transit oriented development projects by establishing a transit-oriented development advisory committee to advise the Legislature and state and county agencies on sustainable development projects close to transit stations.

The Chamber of Commerce of Hawaii supported this measure. The Department of the Attorney General, Hawaii Community Development Authority, City and County of Honolulu Department of Planning and Permitting, Honolulu Authority for Rapid Transportation, and General Contractors Association of Hawaii provided comments on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2436, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1641-14 Finance on S.B. No. 2421

The purpose of this measure is to:

- (1) Reestablish interagency groups to develop plans for, and address various issues associated with, transferring certain rights, powers, functions, duties, and resources from various state departments to the Department of Education, as provided in Act 51, Session Laws of Hawaii 2004, also known as the Reinventing Education Act of 2004;
- (2) Appropriate funds to the Department of Accounting and General Services for school repair and maintenance for Neighbor Island schools; and
- (3) Appropriate funds to the Department of Education to convene the interagency working groups and establish two full-time equivalent positions.

The Department of Education provided testimony in support of this measure. The Department of Accounting and General Services provided comments.

Your Committee has amended this measure by changing the number of positions established for the repair and maintenance of neighbor island schools and the positions in the Department of Education for the working groups to an unspecified amount.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2421, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2421, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1642-14 Finance on S.B. No. 2469

The purpose of this measure is to improve access to health care services in the State by, among other things:

- (1) Requiring equivalent insurance reimbursement for services provided by a health care provider to a patient, regardless of whether the service is provided through telehealth or via face-to-face contact between a health care provider and patient;
- (2) Clarifying the definition of health care provider for telehealth purposes; and
- (3) Replacing references to "telemedicine" with "telehealth" and clarifying the definition of "telehealth" throughout the Hawaii Revised Statutes.

The Office of the Governor, the State Council on Developmental Disabilities, and the Hawaii Medical Association supported this measure. The

Department of Human Services and the Hawaii Medical Board commented on this measure.

Your Committee has amended this measure by changing the effective date to July 1, 2030, to facilitate further discussion. Technical nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2469, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2469, S.D. 2, H.D. 3.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1643-14 Finance on S.B. No. 632

The purpose of this measure is to promote and protect Hawaii's natural environment through consistent and uniform application of environmental laws by establishing an environmental court that has exclusive, original jurisdiction over proceedings arising from specified environmental matters.

The Office of Hawaiian Affairs; Department of Land and Natural Resources; Get the Drift and Bag It!; Kipahulu Ohana, Inc.; Keep the Hawaiian Islands Beautiful; and a few individuals provided testimony in support of this measure. The Hawaii Cattlemen's Council; Chamber of Commerce of Hawaii; Land Use Research Foundation of Hawaii; Hawaii Farm Bureau Federation; Building Industry Association of Hawaii; Hawaii Crop Improvement Association; General Contractors Association of Hawaii; and an individual provided testimony in opposition to this measure. The Judiciary, Office of Planning, and The Outdoor Circle provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 632, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1644-14 Finance on S.B. No. 1043

The purpose of this measure is to establish the Legislative Utility Review Task Force, consisting of various legislators to review electric utility franchises held by investor-owned public utilities and ensure their provision of adequate services.

Hawaiian Electric Company, Inc.; Maui Electric Company; and Hawaii Electric Light Company testified in opposition to this measure. The Public Utilities Commission provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1043, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1645-14 Finance on S.B. No. 2196

The purpose of this measure is to facilitate alternative energy research and production in the State by:

- (1) Re-establishing the Energy Systems Development Special Fund;
- (2) Amending the amount of the Environmental Response, Energy, and Food Security Tax to be deposited into the existing various funds and extending the repeal of various funds from 2015 to 2030;
- (3) Appropriating a one-time unspecified amount from the revenues of the Environmental Response, Energy, and Food Security Tax to be deposited into the Hydrogen Investment Capital Special Fund; and
- (4) Amending the purpose of the Hydrogen Investment Capital Special Fund to be for the development of hydrogen production, storage, and dispensing infrastructure.

The Department of Health; County of Kauai Office of Economic Development; Renewable Energy Action Coalition of Hawaii; Hawaii Energy Policy Forum; Ulupono Initiative; Hawaii Green Growth; the Nature Conservancy; and an individual supported this measure. The Public Utilities Commission; Department of Taxation; Department of Business, Economic Development, and Tourism; Department of Agriculture; Department of Budget and Finance; Tax Foundation of Hawaii; and the Hawaii Natural Energy Institute at the University of Hawaii Manoa commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2196, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.
(Representative Fukumoto voted no.)

SCRep. 1646-14 Finance on S.B. No. 2934

The purpose of this measure is to increase the availability of renewable energy production and rate benefits by:

- (1) Requiring the Public Utilities Commission to establish community-based renewable energy tariffs that allow electric utility customers to own portions of a renewable energy facility that sells electricity to the electric utility; and
- (2) Allowing any person or entity, including an electric utility, to propose a community-based renewable energy project.

The Hawaiian Electric Company, Inc.; Maui Electric Company; Hawaii Electric Light Company; and an individual supported this measure. The Public Utilities Commission; Department of Business, Economic Development, and Tourism; and Blue Planet Foundation commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2934, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1647-14 Finance on S.B. No. 1233

The purpose of this measure is to require private employers employing 50 or more employees to allow employees to take leaves of absence for organ, bone marrow, or peripheral blood stem cell donations.

The National Kidney Foundation of Hawaii, Legacy of Life Hawaii, and numerous concerned individuals supported this measure. The Queens Health Systems commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1233, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1648-14 Finance on S.B. No. 2470

The purpose of this measure is to amend the functions, operations, organization, and oversight of the Hawaii Health Connector by:

- (1) Officially designating the Hawaii Health Connector as the State of Hawaii Health Insurance Exchange and authorizing the Connector to perform all duties required of an exchange by federal law;
- (2) Establishing a Consumer, Patient, Business, and Health Care Advisory Group; Health Insurers Advisory Group; and Insurance Producers Advisory Group to provide input and recommendations to the Hawaii Health Connector Board;
- (3) Establishing the Hawaii Health Connector Oversight Council within the Department of Commerce and Consumer Affairs to oversee the activities of the Hawaii Health Connector;
- (4) Authorizing certified insurance agents and brokers to enroll individuals and employers in qualified plans through the Hawaii Health Connector and assist them in applying for applicable premium tax credits and cost-sharing reductions;
- (5) Requiring the Hawaii Health Connector Board to submit an annual financial sustainability plan to the Hawaii Health Connector Oversight Council and the Insurance Commissioner each fiscal year until end of Fiscal Year 2017-2018;
- (6) Establishing, through the end of Fiscal Year 2017-2018, the Hawaii Health Insurance Exchange Special Fund to receive legislative appropriations and requiring that the fund be audited annually by an independent auditor;
- (7) Specifying that the debts and liabilities of the Hawaii Health Connector shall not constitute the debts and liabilities of the State;
- (8) Replacing insurer assessments or user fees with website advertising revenues as an authorized revenue stream for the Hawaii Health Connector;
- (9) Amending the membership and composition of the Hawaii Health Connector Board and amending the appointment process and required qualifications for board members; and
- (10) Appropriating general funds for necessary expenses of the Consumer, Patient, Business, and Health Care Advisory Group; Health Insurers Advisory Group; Insurance Producers Advisory Group; Hawaii Health Connector Oversight Council; and the operations of the Hawaii Health Connector.

The Office of the Governor, Department of the Attorney General, Hawai'i Health Connector and its Board of Directors, Hawaii Primary Care Association, American Council of Life Insurers, Hawaii Medical Service Association, and AARP commented on this measure. The Chamber of Commerce of Hawaii and two individuals opposed this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2470, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1649-14 Finance on S.B. No. 2820

The purpose of this measure is to update various statutes relating to insurance in accordance with federal requirements or to facilitate regulatory oversight by:

- (1) Implementing requirements of the federal Patient Protection and Affordable Care Act by:
 - (A) Prohibiting rescissions of coverage under a health benefit plan except in cases of fraud, misrepresentation, or failure to make required payments and requiring notice of rescission of coverage; and
 - (B) Mandating parity of coverage for alcohol and substance abuse disorders and mental health treatment with other medical and surgical coverage, and repealing conflicting or obsolete language;
- (2) Clarifying that companies with general casualty insurance authority can write accident and health or sickness insurance only as incidental or supplemental, and not primary, coverage;
- (3) Clarifying the retention requirements for tax records for foreign or alien insurers, surplus lines brokers, and independently procured insureds;
- (4) Clarifying the authority of the Insurance Fraud Investigations Branch to review and take appropriate action on complaints of fraud relating to insurance, excluding workers' compensation insurance;
- (5) Including long-term care insurance as a type of limited benefit health insurance while providing for continuity in its regulation;
- (6) Making risk retention captive insurance companies subject to regulation as producer controlled property/casualty insurers, in accordance with the accreditation standards of the National Association of Insurance Commissioners;
- (7) Clarifying the definition of "uncovered expenses" for health care services that are the obligation of a health or dental insurer;
- (8) Uniformly applying immunity, liability, and record-keeping requirements for regulatory purposes to all types of health insurers; and
- (9) Making other housekeeping changes for purposes of clarity, style, and consistency.

The Department of Commerce and Consumer Affairs, Kaiser Permanente, Hawaii Medical Service Association, Aloha House, Inc., Hawaii Substance Abuse Coalition, Ku Aloha Ola Mau, and The CHOW Project supported this measure. Hina Mauka, The Salvation Army Addiction Treatment Services and Family Treatment Services, American Council of Life Insurers, and The Institute for Family Enrichment, LLC commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2820, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1650-14 Finance on S.B. No. 2348

The purpose of this measure is to appropriate funds to establish and fund two advanced life support ambulances based in Puna and Makalei on the Island of Hawaii, including the acquisition of vehicles and equipment and personnel costs for state-certified emergency medical services personnel.

The Hawaii Fire Department; American Medical Response; United Public Workers, AFSCME, Local 646, AFL-CIO; and two individuals supported this measure. The Department of Health commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2348, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1651-14 Finance on S.B. No. 2495

The purpose of this measure is to prohibit the use of electronic smoking devices in enclosed public areas and other specified locations.

The Department of Human Resources Development; University of Hawaii Cancer Center of the University of Hawaii at Manoa; Coalition for a Tobacco-Free Hawaii; American Cancer Society Cancer Action Network; Hawaii COPD Coalition; American Heart Association; and numerous individuals supported this measure. Hawaii Smokers Alliance; Volcano Fine Electronic Cigarettes; and numerous individuals opposed this measure. Two individuals commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2495, S.D. 3, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1652-14 Finance on S.B. No. 2496

The purpose of this measure is to:

- (1) Impose an excise tax equal to an unspecified percentage of the wholesale price of any tobacco product, other than large cigars on or after January 1, 2015; and
- (2) Allocate funds collected pursuant to the excise tax on tobacco products after December 31, 2014, to the Hawaii Cancer Research Special Fund and the Hawaii Tobacco Prevention and Control Trust Fund.

The University of Hawaii Cancer Center, American Lung Association of the Mountain Pacific, Coalition for a Tobacco-Free Hawaii, American Cancer Society Cancer Action Network, American Heart Association, Hawaii COPD Coalition, and numerous individuals supported this measure. A Kauai County Councilmember; Cigar Association of America, Inc.; Hawaii Smokers Alliance; Hawaii Food Industry Association; Retail Merchants of Hawaii; and numerous individuals testified in opposition to this measure. The Department of Taxation, Department of Budget and Finance, and Tax Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2496, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1653-14 Finance on S.B. No. 2855

The purpose of this measure is to make an emergency appropriation for the Department of Health, Developmental Disabilities Division, to continue to provide developmental disabilities services to eligible adults and children who are citizens of Compact of Free Association countries.

The Department of Health, State Council on Developmental Disabilities, Community Alliance for Mental Health, and Mestizo Association testified in support of this measure.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 189 to the Legislature, requested immediate consideration and passage of this bill by the Legislature.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2855, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1654-14 Finance on S.B. No. 3064

The purpose of this measure is to authorize the Hawaii Health Systems Corporation (HHSC) and its regional systems to transition to a new healthcare management system to be organized as either a nonprofit or public benefit corporation. This authorization replaces the previous statutory authorization for the transition of HHSC regional systems or health facilities to a new entity pursuant to section 323F-7.6, Hawaii Revised Statutes, and, among other things, includes the setting of the following transition procedures:

- (1) The establishment of a transition committee, chaired by the Governor or Governor's designee, that is tasked with assisting the Governor with the planning, implementation, review, and negotiation of the transition; and
- (2) Specifying procedures for the transitioning of HHSC or HHSC regional system employees, including the creation of a new bargaining unit (15) and the requirement that employees separated from service as a result of the transition suffer no loss of earned retirement allowance.

HHSC, Maui Region; HHSC, East Hawaii Region Board of Directors; Hale Makua Health Services; Maui Hotel & Lodging Association; Japanese Chamber of Commerce & Industry of Hawaii; and numerous individuals testified in support of this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO and an individual testified in opposition to this measure. The Office of the Governor; Employees' Retirement System; Department of Budget and Finance; HHSC; Office of the Mayor, County of Maui; Maui Memorial Medical Center; West Maui Hospital and Medical Center Foundation; Healthcare Association of Hawaii; Hawaii Pacific Health; Maui Chest Medicine; and numerous individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3064, S.D. 2, H.D. 1, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.

SCRep. 1655-14 Finance on S.B. No. 1007

The purpose of this measure is to:

- (1) Increase liability protections for the State and counties by extending the conclusive presumption for legally adequate warning to include dangerous non-natural conditions on unimproved public lands; and
- (2) Make permanent the liability protections based on posting warning signs regarding outdoor recreation on public lands established by

Act 82, Session Laws of Hawaii 2003.

The Hawaii Paragliding Association; Hawaii Trail and Mountain Club; Hawaii Bicycling League; Mountain Bike Hawaii LLC; Hawaii Trail and Mountain Club; Oahu Mountain Bike Ohana; 808 Caveman; Access Fund; Climb Aloha; Soultrex, Inc.; Oahu Weekend Hikers; and numerous individuals testified in support of this measure. The Department of Land and Natural Resources and Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Removing the provisions extending the conclusive presumption for legally adequate warning to include dangerous non-natural conditions on unimproved public lands; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1007, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1007, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1656-14 Finance on S.B. No. 3122

The purpose of this measure is to authorize the Office of Hawaiian Affairs (OHA) to pursue authorization to conduct residential development and to impose association fees on certain parcels of land in the Kakaako Makai area that were transferred to OHA through Act 15, Session Laws of Hawaii 2012, as part of the settlement of claims related to public land trust revenues.

The Myron B. Thompson School of Social Work at the University of Hawaii at Manoa; Aha Moku Advisory Committee; Oahu Burial Council; Hawaiian Community Assets; Waianae Hawaiian Civic Club; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Native Hawaiian Chamber of Commerce; Association of Hawaiian Civic Clubs; Kalihi Palama Hawaiian Civic Club; Living Life Source Foundation; Alii Pauahi Hawaiian Civic Club; Oahu Council of the Association of Hawaiian Civic Clubs; Koolaupoko Hawaiian Civic Club; Pearl Harbor Hawaiian Civic Club; and numerous individuals provided testimony in support of this measure. Kakaako United; Surfrider Foundation; Malama Makaha; Hawaii's Thousand Friends; Kakaako Makai Community Planning Advisory Council; Free Access Coalition; Na Kupuna Moku O Ka Kuhihewa; and numerous individuals provided testimony in opposition to this measure. The Department of the Attorney General; Office of Hawaiian Affairs; 1,978 Conventional People; and a few individuals provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3122, S.D. 2, H.D. 2, and recommends that it pass Third Reading.

Signed by all members of the Committee except Representatives Hashem, Woodson and Ward.
(Representatives Kobayashi and Takayama voted no.)

SCRep. 1657-14 Finance on S.B. No. 2274

The purpose of this measure is to authorize certain counties to issue Sustainable Living Research Permits that exempt sustainable living research sites that promote sustainable living through renewable fuel and energy generation, provision of water, sewage treatment, organic food production, and shared living situations from otherwise applicable county development and occupancy requirements.

The Hawaii County Planning Department and an individual opposed this measure. The Office of Planning commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2274, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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

SCRep. 1658-14 Finance on S.B. No. 2609

The purpose of this measure is to update the minimum wage by:

- (1) Increasing the minimum wage by a specified amount from January 1, 2015, to January 1, 2018; and
- (2) Increasing the tip credit by a specified amount from January 1, 2015, to January 1, 2017; and
- (3) Specifying that for each taxable year, the tip credit shall become available in the calendar week after the employee's wages and tips exceed 250 percent of the poverty level as determined by the Director of Labor and Industrial Relations and shall remain available for the remainder of the calendar year.

The Department of Labor and Industrial Relations; Department of Human Services; a Councilmember of the Kauai County Council; Hawaii Primary Care Association; Rainbow Family 808; Hawaii Credit Union League; Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO; ILWU Local 142; Hawaii State AFL-CIO; Hawaii Alliance for Retired Americans; International Organization of Masters, Mates & Pilots; Planned Parenthood of Hawaii; Laborers' International Union of North America, Local 638; and several individuals provided testimony in support of this measure.

The Hawaii Island Chamber of Commerce; Japanese Chamber of Commerce and Industry of Hawaii; Times Supermarkets; National Federation of Independent Business Hawaii; Kailua Round Table Pizza; VIP Foodservice; Hawaii Restaurant Association; Gytaku Japanese Restaurants; Maui Chamber of Commerce; Chamber of Commerce of Hawaii; Aloha Petroleum, Ltd.; and numerous individuals provided testimony in opposition to this measure. The Executive Office on Early Learning; Hawaii State Commission on the Status of Women; Office of Community Services; Democratic Party of Hawaii; Hawaiian Affairs Caucus of the Democratic Party of Hawaii; Women's Caucus of the Democratic Party of Hawaii; Hawaii State Teachers Association; Hawaii Women's Coalition; Hawaii Independent Energy, LLC; HealthyPacific.Org; Cheeseburger in Paradise Restaurants; Island Princess; Kimo's Restaurant; Hawaii Appleseed Center for Law and Economic Justice; Duke's Beach House Maui; Duke's Canoe Club Waikiki; Duke's Canoe Club Kauai; PHOCUSED; Hula Grill Waikiki; Keoki's Paradise; Leilani's on the Beach; TS Restaurants; Hula Grill; Screen Actors Guild- American Federation of Television and Radio Artists, Hawaii Local; Zonta Club of Hilo; Seafarers International Union; United Public Workers, AFSCME Local 646, AFL-CIO (UPW); Catholic Charities Hawaii; Partners in Care; Hawaii Ports Maritime Council; Hawaii Lodging & Tourism Association; Dr. Martin Luther King, Jr. Coalition of Hawaii; Faith Action for Community Equity Hawaii; Hawaii Food Industry Association; Progressive Democrats of Hawaii; Chamber of Commerce for Persons with Disabilities-Hawaii; and a few individuals provided comments.

Your Committee has amended this measure by:

- (1) Changing the minimum wage to \$10.00 per hour beginning January 1, 2018;
- (2) Deleting the provisions specifying that the tip credit shall only become available when the employee's wages and tips exceed 250 percent of the poverty level as determined by the Director of Labor and Industrial Relations;
- (3) Deleting the provisions requiring the Director of Labor and Industrial Relations to use the poverty guidelines for Hawaii of the United States Department of Health and Human Services to establish the applicable poverty level threshold that will trigger the applicability of the tip credit;
- (4) Inserting a tip credit as follows:
 - (A) 50 cents per hour beginning January 1, 2015; and
 - (B) 75 cents per hour beginning January 1, 2016;
- (5) Specifying that beginning January 1, 2015, the tip credit shall only become available when the employee's wages and tips exceed the applicable minimum wage by at least \$7.00 per hour;
- (6) Making this measure take effect upon its approval; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2609, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2609, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1659-14 Judiciary on S.B. No. 2048

The purpose of this measure is to:

- (1) Authorize the Director of Commerce and Consumer Affairs (Director) to designate an access organization in each franchise area;
- (2) Delete the requirement that the Department of Commerce and Consumer Affairs conduct annual management and financial audits of the designated access organizations; and
- (3) Remove the sunset date from Act 19, Session Laws of Hawaii 2011, thereby permanently allowing the Director to designate an access organization to oversee public, educational, and governmental channels, and requiring the Cable Advisory Committee to advise the Director and access organizations on certain matters.

Olelo Community Media, Akaku: Maui Community Television, Valley Isle Sunset Rotary, Na Leo 'O Hawaii, Ho'ike Kauai Community Television, Maui County Councilmember, and numerous concerned individuals testified in support of this measure. A concerned individual testified in opposition to this measure. The Department of Commerce and Consumer Affairs provided comments.

Your Committee has amended this measure by:

- (1) Defining "franchise area" or "service area" as the geographic area for which a cable operator has been issued a cable franchise;
- (2) Clarifying that the Director may designate one or more access organizations in each franchise area;
- (3) Making it effective on June 29, 2100; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2048, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as

S.B. No. 2048, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Har, Ito, Kawakami, Tsuji, Wooley and McDermott.

SCRep. 1660-14 Consumer Protection & Commerce on S.B. No. 2490

The purpose of this measure is to safeguard patient health and safety by establishing continuing competency requirements for licensed registered and practical nurses to be completed in the two years prior to license renewal, beginning July 1, 2017.

Hawaii Pacific Health, Healthcare Association of Hawaii, and a few individuals testified in support of this measure. The Department of Commerce and Consumer Affairs, Board of Nursing, and Hawaii State Center for Nursing provided comments on this measure.

Your Committee has amended this measure by:

- (1) Deleting the requirement that the Department of Commerce and Consumer Affairs, in collaboration with the Center for Nursing, convene a stakeholder group to address any outstanding issues associated with the implementation of the continuing competence requirements;
- (2) Changing its effective date to July 1, 2112, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2490, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2490, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1661-14 Consumer Protection & Commerce on S.B. No. 2478

The purpose of this measure is to update the scope of practice for chiropractors to reflect standards of care, practices, and terminology accepted by the National Board of Chiropractic Examiners.

The Board of Chiropractic Examiners; Hawaii State Chiropractic Association; Healing Hands Chiropractic; Pukalani Chiropractic Inc.; Wasserman Chiropractic Inc.; Back In Action Chiropractic, Inc.; Klein Natural Health and Wellness Center; American Chiropractic Association; and numerous individuals testified in support of this measure. The City and County of Honolulu, Hawaii Medical Association, and Hawaii Insurers Council testified in opposition to this measure.

Your Committee has amended this measure by:

- (1) Deleting language that would have allowed chiropractors to use any method of examination for diagnosis and analysis taught by an accredited chiropractic college and approved by the Board of Chiropractic Examiners;
- (2) Restoring the prohibition on the use of the terms "physician" and "chiropractic physician" by a chiropractic licensee;
- (3) For chiropractic treatments, specifying the number of treatments and treatment cost rate and number of x-rays and x-ray cost rate allowed under the Workers' Compensation Law;
- (4) Changing its effective date to December 21, 2112, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2478, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2478, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1662-14 Consumer Protection & Commerce on S.B. No. 2487

The purpose of this measure, as received by your Committee, is to improve the effectiveness and efficiency of the Small Business Regulatory Review Board (Board), while allowing the Legislature to monitor and evaluate the Board's performance and effectiveness by:

- (1) Requiring training of members of the Board by the Department of the Attorney General to ensure that the members have a clear understanding of their role and its parameters;
- (2) Clarifying the contents of the Board's annual report to the Legislature; and
- (3) Requiring the Department of Business, Economic Development, and Tourism to sufficiently support the work of the Board through financial and administrative assistance.

For purposes of a public hearing on this measure, your Committee circulated S.B. No. 2487, S.D.1, H.D.2 Proposed, and notified the public that it would be accepting testimony on the proposal, which amends this measure to better ensure that the originally-envisioned functions of the Board are carried out in an efficient manner by, among other things:

- (1) Creating the Office of Small Business Regulatory Review and the position of Director of Small Business Regulatory Review (Director);
- (2) Changing the rule review process and role of the Board, by among other things, making it a supervisory body with the ability to approve or reject the actions of the Director;
- (3) Requiring the Director and members of the Board to receive training by the Department of the Attorney General; and
- (4) Requiring the Director to submit analyses of proposed rules to the Board; impact statements on proposed rules to agencies, the Governor, and the Attorney General; and an annual report to the Legislature.

The Small Business Regulatory Review Board, Building Industry Association of Hawaii, and Ocean Tourism Coalition testified in support of the intent of the Proposed Draft. The Chamber of Commerce of Hawaii testified in opposition to the Proposed Draft. The Hawaii Business League provided comments on the Proposed Draft.

Your Committee considered the merits of both S.B. No. 2487, S.D.1, H.D.1, and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Removing references to the Board as a supervisory body;
- (2) Requiring the Director to also send impact statements to members of the Board;
- (3) Clarifying the contents of the Director's annual report to the Legislature;
- (4) Requiring the Board to prepare with the Director's assistance, a statement of the Board's support of amendments to, or dissent from any analyses, recommendations, or decisions by the Director;
- (5) Removing the Director's ability to delegate to any person such power or authority vested in the Director as the Director deems reasonable and proper for the effective administration of this section;
- (6) Requiring the Department of Business, Economic Development, and Tourism to also sufficiently support the work of the Office of Small Business Regulatory Review through financial and administrative assistance;
- (7) Reinstating the requirement that all state and county agencies submit a small business statement for any proposed rule that affects small business and transferring review functions from the Board to the Director;
- (8) Deleting the requirement that the Director's appointment be subject to the advice and consent of the Senate;
- (9) Amending the composition of the Board by adding a member appointed by the Governor and removing the Director of Business, Economic Development, and Tourism;
- (10) Requiring the Department of Business, Economic Development, and Tourism to submit a report on the implementation of this measure to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015;
- (11) Changing the effective date of this measure to July 1, 2015; provided that the section requiring the Department of Business, Economic Development, and Tourism to submit a report to the Legislature shall take effect upon the approval of this measure; and
- (12) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2487, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2487, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Cachola and Har.

SCRep. 1663-14 Consumer Protection & Commerce/Judiciary on S.B. No. 2898

The purpose of this measure is to ensure timely compliance with certain federal motor carrier safety regulations by amending or deleting statutes containing federal commercial driver's licensing requirements that are addressed in the Hawaii Administrative Rules.

The Department of Customer Services of the City and County of Honolulu testified in support of this measure.

Your Committees have amended this measure by:

- (1) Removing extraneous references to the Director of Transportation's general rule-making authority; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Consumer Protection & Commerce and Judiciary that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2898, S.D. 2, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 2898, S.D. 2, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Har, Ito, Oshiro and Yamane.

SCRep. 1664-14 Finance on S.B. No. 2260

The purpose of this measure is to assist the Department of Labor and Industrial Relations (Department) in the enforcement of the wages and hours of employees on public works law under Chapter 104, Hawaii Revised Statutes, by, among other things:

- (1) Specifying that no provision of the wages and hours of employees on public works law may be in any way contravened or set aside by private contract;
- (2) Increasing the penalty for a contractor's interference or delay with a Department investigation to determine compliance with the wages and hours of employees on public works law to \$10,000 per project and \$1,000 per day that the contractor fails to cooperate;
- (3) Holding a general contractor secondarily liable for the payment of back wages and unpaid penalties assessed against contractors on a public works construction project, subject to time and notice provisions;
- (4) Specifying that any payment for back wages and penalties owed by the contractor made by the governmental contracting agency from amounts due to the contractor shall not be deemed to be a breach of contract and shall not excuse the contractor from completing the project for the contract price and by the contract completion deadline;
- (5) Specifying that a notification of violation shall be final and conclusive unless the contractor files a written notice of appeal with the Director of Labor and Industrial Relations (Director) within 20 days after a copy of the notice has been sent to the contractor;
- (6) Increasing the suspension period from three to five years for a third violation, within two years of a second notification of a violation, of the wages and hours of employees on public works law;
- (7) Clarifying what triggers a suspension to become effective; and
- (8) Requiring the Director to give immediate notice of the suspension order to the governmental contracting agency and to the general contractor in the case of a suspended subcontractor.

The Hawaii Building and Construction Trades Council, AFL-CIO and Hawaii Iron Workers Stabilization Fund provided testimony in support of this measure. The Building Industry Association of Hawaii; Hawaii Operating Engineers Industry Stabilization Fund; General Contractors Association of Hawaii; LYZ, Inc.; Ralph S. Inouye Co., Ltd.; S&M Sakamoto, Inc.; Robert M. Kaya Builders, Inc.; Healy Tibbitts Builders, Inc.; Waltz Engineering, Inc.; Swinerton Builders; Warrior Contracting, LLC; Tom's Backhoe & Excavation Co., Inc.; TOMCO CORP.; and Laborers' International Union of North America, Local 368 provided testimony in opposition to this measure. The Department of Labor and Industrial Relations and Department of Accounting and General Services provided comments.

Your Committee has amended this measure by:

- (1) Deleting the provision holding a general contractor secondarily liable for the payment of penalties assessed against contractors on a public works construction project;
- (2) Requiring the Department to submit a report to the Legislature no later than 20 days prior to the convening of the Regular Sessions of 2015, 2016, 2017, and 2018 that provides enforcement information regarding the suspensions and back wages and fines imposed and collected;
- (3) Deleting the savings clause;
- (4) Inserting a sunset provision for the:
 - (A) Increase to the suspension period from three to five years for a third violation of the state law relating to wages and hours of employees on public works; and
 - (B) Requirement that the Director notify the governmental contracting agency and general contractor, in the case of a suspended subcontractor, of any suspension order; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2260, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2260, S.D. 2, H.D. 2.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1665-14 Finance on S.B. No. 2845

The purpose of this measure is to allow the Director of Human Services to carry out the functions of the state medical assistance programs by authorizing the Director to:

- (1) Appoint and employ a division administrator, branch office administrators, a finance officer, and a research officer exempt from the civil service law under Chapter 76, Hawaii Revised Statutes (HRS); and
- (2) Appoint a privacy and security compliance officer, health information technology officer, physicians, pharmacists, and dentists and temporarily exempt these positions from Chapter 76, HRS, for three years.

The Department of Human Services provided comments on this measure.

Your Committee has amended this measure by:

- (1) Authorizing the Director of Human Services to appoint and employ only a division administrator and a finance officer, exempt from Chapter 76, HRS; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2845, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2845, S.D. 1, H.D. 3.

Signed by all members of the Committee except Representatives Woodson and Ward.

SCRep. 1666-14 Finance on S.B. No. 2194

The purpose of this measure, as received by your Committee, is to provide for the early detection and treatment of congenital heart defects on newborns by:

- (1) Requiring birthing facilities to perform a pulse oximetry test for critical congenital heart defects or other medically accepted test, as approved by the American Academy of Pediatrics, on every newborn in each facility's care prior to discharge;
- (2) Requiring birthing facilities to report certain data and information relating to the screening tests performed to the Department of Health; and
- (3) Appropriating funds for screening programs, including in Hawaii Health Systems Corporation facilities.

For the purposes of a public hearing on this bill, your Committee circulated Proposed S.B. No. 2194, S.D. 1, H.D. 2 (Proposed Draft) and notified the public that it would be accepting testimony on the proposal, which:

- (1) Requires birthing facilities to perform a pulse oximetry test or other medically accepted screening on newborns to screen for critical heart defects, and to report certain data from those screening tests to the Department;
- (2) Appropriates funds for the screening tests; and
- (3) Establishes the Hawaii Employer-Union Health Benefits Trust Fund Captive Insurance Company to manage the administration and financing of the current and potential future employee benefit obligations of the State and county governments.

Your Committee received testimony from the following organizations and individuals on the Proposed Draft:

The Department of Health, Kapi'olani Medical Center for Women & Children, American Heart Association, Hawaii Chapter of the March of Dimes Foundation, Hawaii Chapter of the American Academy of Pediatrics, and a concerned individual testified in support of Part I of this measure. The Department of Budget and Finance and Kaiser Permanente Hawaii provided comments on Part I of this measure.

A Representative from the State House of Representatives representing House District 30 testified in support of Part II of this measure. The Hawaii Employer-Union Health Benefits Trust Fund opposed Part II of this measure. The Department of Commerce and Consumer Affairs, Department of Budget and Finance, and Tax Foundation of Hawaii provided comments on Part II of this measure.

Your Committee considered the merits of both S.B. No. 2194, S.D. 1, H.D. 1, as received by your Committee, and the Proposed Draft, and upon careful consideration, adopted the Proposed Draft with the following amendments:

- (1) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee notes that concerns were raised regarding the necessity of completing a feasibility study before implementing part II of this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2194, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B.

No. 2194, S.D. 1, H.D. 2.

Signed by all members of the Committee.
(Representatives Takayama and Tokioka voted no.)

SCRep. 1667-14 Judiciary on S.B. No. 2026

The purpose of this measure is to establish the offense of Cruelty to Animals by Slaughtering or Trafficking Pet Animals for Human Consumption as a misdemeanor.

The Department of the Prosecuting Attorney of the City and County of Honolulu, Humane Society of the United States, Maui County Animal Coalition, Animal Rights Hawaii, Save an Animal.org, Oahu Society for the Prevention of Cruelty to Animals, and numerous concerned individuals testified in support of this measure.

Your Committee has amended this measure by:

- (1) Limiting the scope of the offense to address dogs or cats as opposed to pet animals, specifically to prohibit the slaughter, trafficking, or possession of dogs or cats for the purpose of human consumption, or trafficking or possession of dog or cat products for the purpose of human consumption;
- (2) Deleting unnecessary language referring to the lawful slaughter of non-pet animals as permitted by the Department of Agriculture;
- (3) Defining "dog or cat products" to mean the carcass of a dog or cat or any part thereof;
- (4) Amending the definition of "traffic" to include the gift or purchase of a dog or cat or dog or cat product;
- (5) Deleting the severability clause;
- (6) Making it effective on January 1, 2100, to promote further discussion; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2026, S.D. 1, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2026, S.D. 1, H.D. 2.

Signed by all members of the Committee except Representatives Belatti, Ito, Kawakami and Nakashima.

SCRep. 1668-14 Energy & Environmental Protection on S.C.R. No. 104

The purpose of this measure is to minimize soil erosion and sediment run-off by requesting that the counties reevaluate and, if necessary, update their best management practices for construction.

The Nature Conservancy commented on this measure.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 104 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 1669-14 Energy & Environmental Protection on S.C.R. No. 148

The purpose of this measure is to urge the Public Utilities Commission and Hawaii Electric Light Company, Inc. ("HELCO") to expedite the conclusion and resolution of commission docket no. 2012-0092, regarding the request for proposals issued by HELCO for 50 megawatts of renewable geothermal-derived electricity generation on the Island of Hawaii.

The Public Utilities Commission provided comments on this measure.

Your Committee has amended this measure by:

- (1) Removing inaccurate provisions stating that HELCO's high electricity costs are related to existing HELCO geothermal avoided cost contracts;
- (2) Clarifying that further delay of request for proposals for renewable geothermal energy on the Island of Hawaii may not be, rather than are not, in the public interest; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style, including by amending its title to read: "URGING THE PUBLIC UTILITIES COMMISSION AND THE HAWAII ELECTRIC LIGHT COMPANY TO EXPEDITE THE CONCLUSION AND RESOLUTION OF REQUEST FOR PROPOSALS DOCKET NO. 2012-0092 FOR FIFTY MEGAWATTS OF GEOTHERMAL-DERIVED ELECTRICITY ON THE ISLAND OF HAWAII."

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 148, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.C.R. No. 148, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 1670-14 Energy & Environmental Protection/Water & Land on S.C.R. No. 69

The purpose of this measure is to endorse and support the Aloha+ Challenge to achieve ambitious 2030 targets related to clean energy, local food, natural resource management, waste reduction, smart sustainable communities, and green workforce.

The Department of Agriculture; Department of Defense; Office of Hawaiian Affairs; Department of Land and Natural Resources; Department of Business, Economic Development, and Tourism; Department of Health; State Sustainability Coordinator; County of Maui Mayor's Office; Office of Economic Development, County of Kauai; Hawaii Green Growth; Enterprise Honolulu; Hawaii Energy Policy Forum of the University of Hawaii at Manoa; Nature Conservancy; Ulupono Initiative; and two individuals supported this measure. The Office of Planning and an individual commented on this measure.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Water & Land that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 69, S.D. 1, and recommend that it be referred to the Committees on Economic Development & Business and Agriculture.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 1671-14 Economic Development & Business on S.C.R. No. 139

The purpose of this measure is to continue to work towards developing the Island of Lana'i into a thriving model of sustainability and fulfill the vision of Pūlama Lāna'i by requesting Pūlama Lāna'i to:

- (1) Continue to work in a cooperative public/private partnership, in conjunction with the Department of Land and Natural Resources, Department of Business, Economic Development, and Tourism, High Technology Development Corporation, and Lanai Aha Moku; and
- (2) Submit a preliminary report to the Legislature prior to the convening of the 2015 Regular Session, and a final report prior to the convening of the 2016 Regular Session, of the partnership work that has occurred.

The Department of Business, Economic Development, and Tourism and Pūlama Lāna'i testified in support of this measure. The Department of Land and Natural Resources testified in support of the intent of this measure. The High Technology Development Corporation provided comments.

Pūlama Lāna'i serves a valuable purpose in the stewardship of the Island of Lana'i. Your Committee finds that while the majority of the Island of Lana'i, which is part of the County of Maui, is privately owned, a small percentage of the island is publicly owned.

In addition, your Committee notes that other services offered by the Department of Health, Department of Human Services, and Department of Education also play a role in the well-being of the Island of Lana'i.

Your Committee has amended this measure by:

- (1) Including the Departments of Health, Human Services, and Education, as well as the County of Maui, among the groups with which Pūlama Lāna'i should work in a cooperative public/private partnership;
- (2) Amending the contents of the required report to reflect the inclusion of these governmental bodies;
- (3) Amending its title to read: "REQUESTING PULAMA LANAI TO CONTINUE TO WORK IN A COOPERATIVE PUBLIC/PRIVATE PARTNERSHIP ON THE ISLAND OF LANAI WITH THE DEPARTMENT OF LAND AND NATURAL RESOURCES, DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM, DEPARTMENT OF HEALTH, DEPARTMENT OF HUMAN SERVICES, DEPARTMENT OF EDUCATION, MAUI COUNTY, HIGH TECHNOLOGY DEVELOPMENT CORPORATION, AND LANAI AHA MOKU, AND REQUESTING PULAMA LANAI TO SUBMIT A REPORT OF THE PARTNERSHIPS TO THE LEGISLATURE PRIOR TO THE 2015 AND 2016 REGULAR SESSIONS";
- (4) Including the Directors of Health and Human Services, the Superintendent of Education, and Mayor of the County of Maui in the list of individuals receiving certified copies of this measure; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 139, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.C.R. No. 139, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Awana, Ohno and Wooley.

SCRep. 1672-14 Energy & Environmental Protection on S.C.R. No. 74

The purpose of this measure is to address the deficits in Advance Disposal Fee revenue and the high cost of shipping glass out of state to be recycled by requesting the Department of Health to convene a task force or working group to examine feasible local alternatives to shipping glass out of state and recommend any changes to the Advance Disposal Fee, and by requesting the Auditor to conduct an audit of the Advance Disposal Fee Program.

The Hawaii Food Industry Association and Wine Institute supported this measure. The Department of Health commented on this measure.

Your Committee notes that concerns were raised regarding the necessity for a task force or working group and that clear and concrete recommendations are expected from this task force or working group relating to the Advance Disposal Fee Program.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 74, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Hanohano and Kawakami.

SCRep. 1673-14 Higher Education on S.C.R. No. 116

The purpose of this measure is to expand access to legal services for the people of Hawaii by requesting the Hawaii Access to Justice Commission to convene a working group to develop an educational loan repayment program for graduates of the William S. Richardson School of Law to expand opportunities to pursue public-interest careers in Hawaii for the benefit of underserved communities. More specifically, the working group is requested to:

- (1) Explore alternative methods of encouraging law graduates to pursue public interest careers that provide legal services directly to underserved communities and nonprofit organizations;
- (2) Consider the compatibility of the federal law graduate loan repayment programs with a Hawaii program;
- (3) Consider the establishment of an incubator program for post-graduate apprenticeship to afford practice-ready training for graduates of the William S. Richardson School of Law and to encourage multidisciplinary training of graduates;
- (4) Draft proposed legislation or alternative measures, if needed, to implement such programs; and
- (5) Submit a final report of the working group's findings and recommendations, including any proposed legislation, to the Legislature no later than 20 days prior to the convening of the Regular Session of 2015.

The William S. Richardson School of Law, Hawaii Access to Justice Commission, Student Bar Association of the William S. Richardson School of Law, Association of Hawaiian Civic Clubs, and Community Alliance on Prisons supported the measure.

As affirmed by the record of votes of the members of your Committee on Higher Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 116 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Aquino, Say, Takai and Fale.

SCRep. 1674-14 Consumer Protection & Commerce on S.C.R. No. 31

The purpose and intent of this measure is to request the Auditor to conduct a sunrise review of the licensure and regulation of herbal therapists.

Your Committee received testimony in support of this measure from the Regulated Industries Complaints Office Division of the Department of Commerce and Consumer Affairs; the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs; the A'ali'I Group and one individual. Your Committee also received testimony in opposition to this measure from one individual.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 31, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1675-14 Consumer Protection & Commerce on S.C.R. No. 34

The purpose and intent of this measure is to request the Auditor to assess the social and financial impacts of requiring health insurers to offer coverage for hearing aids.

Your Committee received testimony in support of this measure from the Department of Commerce and Consumer Affairs, Disability and Communication Access Board, and one individual.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 34, S.D. 1, and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Har, Ito, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1676-14 Ocean, Marine Resources, & Hawaiian Affairs on S.C.R. No. 88

The purpose of this measure is to approve the selection of Danny Kaleikini to be inducted into the Aloha Order of Merit.

The Representative of the Second Congressional District of the United States House of Representatives; The March of Dimes Foundation, Hawaii Chapter; Association of Hawaiian Civic Clubs; Na Koa Ikaika; and a few individuals provided testimony in support of this measure.

As affirmed by the record of votes of the members of your Committee on Ocean, Marine Resources, & Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 88 and recommends that it be referred to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts.

Signed by all members of the Committee except Representatives Cullen, Lee and Lowen.

SCRep. 1677-14 Housing on S.C.R. No. 99

The purpose of this measure is to:

- (1) Request that governmental agencies, private sector housing developers, and community organizations collaborate to produce a comprehensive statewide housing plan and report their findings to the Legislature; and
- (2) Request that certain standing committees of the Legislature host informational briefings to inform the public of ongoing plans for housing development in Hawaii.

The Department of Hawaiian Home Lands, State Council on Developmental Disabilities, Land Use Research Foundation of Hawaii, Community Alliance for Mental Health, and United Self Help supported this measure. The Hawaii Housing Finance and Development Corporation and 808 Reawake supported the intent of this measure. The Hawaii Community Development Authority provided comments on this measure.

Your Committee has amended this measure by:

- (1) Requesting that the Hawaii Housing Finance and Development Corporation take the lead in producing the statewide housing plan by convening and chairing a working group and providing administrative support;
- (2) Encouraging federal governmental agencies to participate in the production of the plan; and
- (3) Allowing working group members to be reimbursed for incidental expenses, including travel costs, incurred in the performance of their duties.

Your Committee recognizes that there will be expenses incurred by the Hawaii Housing Finance and Development Corporation while producing the plan, and requests that \$25,000 be appropriated to defray travel, publication, planning venue, and other costs.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 99, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.C.R. No. 99, H.D. 1.

Signed by all members of the Committee except Representatives Belatti, Carroll, Jordan and Oshiro.

SCRep. 1678-14 Water & Land on S.C.R. No. 13

The purpose of this measure is to grant legislative approval for the sale of the leased fee interest in a single-family home in an affordable housing development situated on land that was formerly a portion of Crown Land and to which the Hawaii Housing Finance and Development Corporation currently holds title as required by section 171-64.7, Hawaii Revised Statutes.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Department of Business, Economic Development, and Tourism; and an individual. The Office of Hawaiian Affairs submitted comments on this measure.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 13 and recommends that it be referred to the Committee on Finance.

Signed by all members of the Committee except Representatives Cullen and Hanohano.

SCRep. 1679-14 Water & Land on S.C.R. No. 145

The purpose of this measure is to request that the Department of Land and Natural Resources affirm its commitment to make the State and State law the leading authority in the conservation, management, and protection of Hawaii's natural resources and to resist efforts of the federal government to expand federal authority in management relationships and issue areas subject to joint state and federal jurisdiction.

Your Committee received testimony in support of this measure from the Hawaii Cattlemen's Council, McCandless Ranch, Hawaii Sportsmen Alliance, and a few individuals. The Department of Land and Natural Resources and The Hawaii Hunting Association submitted comments.

Your Committee notes that concerns were raised in testimony on this measure about the importance of federal funding to the operational budget

of the Department of Land and Natural Resources and the Department's obligation to adhere to controlling provisions of federal law in several important areas of its operations. It is not the intent of your Committee to jeopardize the Department's receipt of federal funding or to require actions that would violate federal law.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 145, S.D. 1, and recommends that it be referred to the Committee on Ocean, Marine Resources, & Hawaiian Affairs.

Signed by all members of the Committee except Representatives Cullen and Hanohano.

SCRep. 1680-14 Health/Consumer Protection & Commerce on S.C.R. No. 35

The purpose of this measure is to request the Auditor to conduct an impact assessment report of the social and financial impacts of mandating coverage for infertility procedure coverage by all health insurers, as proposed in S.B. No. 2909, S.D. 1, from the Regular Session of 2014.

Your committees received testimony in support of this measure from Kaiser Permanente. Two individuals supported the measure with amendments. The Department of Commerce and Consumer Affairs offered comments.

Your Committees have amended this measure by requesting that the Auditor's impact assessment report additionally examine statutory compliance requirements regarding state mandated benefits across Essential Health Benefits Benchmarks Plans. Your Committees have further amended this measure by requesting the Auditor to research the underwriting of the existing Hawaii IVF mandated Essential Health Benefit over the past twenty-seven years since it was first passed.

As affirmed by the records of votes of the members of your Committees on Health and Consumer Protection & Commerce that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 35, S.D. 1, as amended herein, and recommend that it be referred to the Committee on Finance, in the form attached hereto as S.C.R. No. 35, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Har, Hashem, Ito, Jordan, Oshiro, Yamane, McDermott and Thielen.

SCRep. 1681-14 Health on S.C.R. No. 97

The purpose of this measure is to support the State's growing cottage food industry while ensuring safe food handling practices by requesting the Department of Health to:

- (1) Provide food safety workshops or classes for persons who have temporary food establishment permits;
- (2) Provide copies of its Title 11, Chapter 50, Hawaii Administrative Rules, Food Safety Code, to consumers and interested cottage food industry stakeholders; and
- (3) Convene a cottage food business working group comprising representatives from the Department of Health and cottage food industry to examine the Food Safety Code as it relates to the issues and areas specified in this measure.

The Ulupono Initiative, Local Food Coalition, Hawaii Farm Bureau, and two individuals supported this measure. The Department of Health opposed this measure.

Your Committee notes that food safety workshops are already available on all islands. In addition, copies of the Food Safety Code can be obtained at these workshops or requested separately through the Sanitation Offices on the islands of Hawaii, Kauai, Maui, and Oahu, or viewed and downloaded from the Department of Health website.

Accordingly, your Committee has amended this measure by:

- (1) Changing its title to read: "REQUESTING THE CONVENING OF A COTTAGE FOOD BUSINESS WORKING GROUP COMPRISING REPRESENTATIVES FROM THE DEPARTMENT OF HEALTH AND THE COTTAGE FOOD INDUSTRY";
- (2) Deleting provisions requesting the Department of Health to provide food safety workshops and classes and make copies of its Food Safety Code available to the public;
- (3) Requesting the Ulupono Initiative and/or the Local Food Coalition, rather than the Department of Health, to convene the cottage food business working group and submit a report of the working group's findings, recommendations, and any proposed legislation to the Legislature prior to the 2015 Regular Session;
- (4) Requesting that certified copies of this measure be sent to the general partner of the Ulupono Initiative and the members of the Local Food Coalition; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 97, S.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as S.C.R. No. 97, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Hashem, Jordan and Oshiro.

SCRep. 1682-14 Economic Development & Business on S.C.R. No. 83

The purpose of this measure is to recognize the leadership role the Pacific International Space Center for Exploration Systems (PISCES) has played in the maturation of pioneering technologies and advancement of the future well-being of the State by:

- (1) Commending and supporting PISCES collaborative work with the National Aeronautics and Space Administration and private industries in the areas of basaltic concrete and additive manufacturing; and
- (2) Requesting the State to collaborate with PISCES, county agencies, and private industries to explore opportunities for applications of basaltic concrete and additive manufacturing to reduce Hawaii's dependence on imported concrete.

The Department of Business, Economic Development, and Tourism, University of Hawaii at Hilo, PISCES, and a concerned individual testified in support of this measure. A concerned individual supported the intent of this measure.

Your Committee has amended this measure by including the Director of Business, Economic Development, and Tourism in the list of individuals receiving certified copies of this measure.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 83, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 83, H.D. 1.

Signed by all members of the Committee except Representatives Awana, Ito, Ohno and Wooley.

SCRep. 1683-14 Economic Development & Business/Agriculture on S.C.R. No. 69

The purpose of this measure is to promote an integrated and focused approach to sustainability by:

- (1) Legislatively endorsing and supporting clean energy, sustainability, resource management, and other goals of the Aloha+ Challenge; and
- (2) Requesting the Hawaii State Sustainability Coordinator to submit a report to the Legislature regarding the launch and progress of the Aloha+ Challenge.

The Department of Agriculture; Department of Business, Economic Development, and Tourism; Office of Planning; Department of Land and Natural Resources; Department of Health; State Department of Defense; State Sustainability Coordinator; Office of Economic Development of the County of Kaua'i; Office of Hawaiian Affairs; Nature Conservancy of Hawai'i; Sustainability Partners, Inc.; Ulupono Initiative; Hawai'i Green Growth; Hawai'i Energy Policy Forum; National Tropical Botanical Garden; Enterprise Honolulu; and several concerned individuals testified in support of this measure.

As affirmed by the records of votes of the members of your Committees on Economic Development & Business and Agriculture that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 69, S.D. 1, and recommend its adoption.

Signed by all members of the Committee except Representatives Awana, Brower, Cachola, Ito, Ohno and Matsumoto.

SCRep. 1684-14 Education on S.C.R. No. 41

The purpose of this measure is to request the Department of Education and Department of Human Services to assist with increasing voter registration among young adults. The Department of Education is requested to provide seniors at every public school with voter registration information prior to graduation and the Department of Human Services is requested to provide young adults who are in young adult voluntary foster care with information on voter registration and to provide informational literature about the voting registration process to any young adults who inquires about the process.

The Department of Education, Department of Human Services, Office of Elections, National Federation of Filipino American Association, Hawaii Youth Services Network, Filipino Coalition for Solidarity, and two concerned individuals supported this measure.

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

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1685-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 82

The purpose of this measure is to recognize the unique role Hawaii played in the first lunar landing by honoring the forty-fifth anniversary of the Apollo 11 lunar landing at Tranquility Base through the designation of July 20, 2014, as "Tranquility Base Day" in Hawaii and urging the United Nations Educational, Scientific, and Cultural Organization to include Tranquility Base and associated artifacts on the World Heritage List.

The Department of Business, Economic Development, and Tourism and several concerned individuals testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 82 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1686-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 84

The purpose of this measure is to reaffirm Hawaii's, and the nation's, commitment to the well-being of all of its Vietnam veterans by urging Congress to restore the presumption of a service connection for Agent Orange exposure to United States veterans who served in the waters and in the airspace of the Combat Zone in Vietnam to facilitate access to appropriate disability compensation and medical care.

The Advisory Board to the Office of Veterans' Services, Department of Hawaii-Veterans of Foreign Wars of the United States, National Association for Uniformed Services – Hawaii Chapter, and 1,978 Conventional People testified in support of this measure. The State Office of Veterans Services testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 84 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1687-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 47

The purpose of this measure is to remind and educate the State's residents of the historical events surrounding the 1893 overthrow of Queen Lili'uokalani by recognizing January 17 of every year as Ho'oku'ikahi Day, or Reconciliation Day, in honor and remembrance of the justice, reconciliation, and nonviolence of Queen Lili'uokalani.

The Association of Hawaiian Civic Clubs, Pacific Justice and Reconciliation Center, Committee of Hawaiian Nationals, and several concerned individuals testified in support of this measure. The Office of Hawaiian Affairs supported the intent of this measure. The Center for Hawaiian Sovereignty Studies and a concerned individual testified in opposition to this measure.

Your Committee has amended this measure by inserting three additional WHEREAS clauses that:

- (1) Acknowledges the complex and multi-faceted process involved in achieving lasting reconciliation;
- (2) Recognizes the efforts of Queen Lili'uokalani to achieve peaceful reconciliation for the overthrow of the Hawaiian Kingdom through the restoration of her country and the return of its lands and sovereignty; and
- (3) Reaffirming the position that the State should remind itself and the people of Hawaii of the steps taken toward the fulfillment of Queen Lili'uokalani's vision of peaceful reconciliation, and of the need for ongoing work to realize such a vision.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 47, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 47, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1688-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 62

The purpose of this measure is to address sexual harassment and assault in the United States Armed Forces and ensure the well-being of military service members by urging Congress to enact reforms addressing sexual harassment and assault in the United States Armed Forces.

The Advisory Board to the Office of Veterans' Services, National Association for Uniformed Services – Hawaii Chapter, Planned Parenthood of Hawaii, Hawai'i Women's Coalition, and a concerned individual testified in support of this measure. The State Office of Veterans Services testified in support of the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 62 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1689-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 63

The purpose of this measure is to highlight and seek resolution of the chronic and unacceptable problem of sexual assault in the military by encouraging female members of the United States Senate to reform the military investigatory and prosecutorial systems governing sexual assault.

The Advisory Board to the Office of Veterans' Services, Planned Parenthood of Hawaii, Hawai'i Women's Coalition, and a concerned individual testified in support of this measure. The Office of Veterans Services supported the intent of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 63 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1690-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 70

The purpose of this measure is to recognize Hokule'a's worldwide voyage to raise awareness of the issues confronting Hawaii's shorelines, reefs, and deep waters, while honoring and sharing Hawaiian knowledge and practices of natural resource management by urging the Governor to proclaim 2014 as the Year of the Worldwide Voyage.

The Association of Hawaiian Civic Clubs, Hawaiian Educational Council, and Malama Honua Learning Center testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 70 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1691-14 Energy & Environmental Protection/Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 73

The purpose of this measure is to protect the public from risks related to the Red Hill Underground Fuel Storage Facility and Oahu's water supply by requesting the Director of Health to convene a task force to study the effects of the January 2014 fuel tank leak at the Red Hill Underground Fuel Storage Facility.

The Department of Health; Board of Water Supply of the City and County of Honolulu; and a concerned individual testified in support of this measure.

Your Committees have amended this measure by:

- (1) Including additional information regarding past fuel releases at the Red Hill Underground Fuel Storage Facility and the impact on Oahu's groundwater aquifer and the environment;
- (2) Providing that the task force include one representative appointed by the Speaker of the House of Representatives and one senator appointed by the President of the Senate;
- (3) Requesting the task force to consider the implications of shutting down the Red Hill Underground Fuel Storage Facility;
- (4) Urging the United States Navy to work with the Department of Health and the Honolulu Board of Water Supply to remediate the contamination beneath the Red Hill Facility to protect and prevent contamination of the groundwater aquifer; and
- (5) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Veterans, Military, & International Affairs, & Culture and the Arts that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 73, as amended herein, and recommend its adoption in the form attached hereto as S.C.R. No. 73, H.D. 1.

Signed by all members of the Committee except Representatives Awana, Choy, Say, Wooley and McDermott.

SCRep. 1692-14 Finance on S.C.R. No. 97

The purpose of this measure is to request the convening of a cottage food business working group comprising representatives from the Department of Health and the cottage food industry.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 97, S.D. 1, H.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1693-14 Finance on S.C.R. No. 74

The purpose of this measure is to request the Department of Health to convene a task force or working group to examine local alternatives to shipping glass out of state, determine the feasibility and costs of such local alternatives compared to shipping the glass out of state, and recommend any changes to the advance disposal fee and requesting the auditor to conduct an audit of the advance disposal fee program.

Upon further consideration, your Committee has amended this concurrent resolution to reflect the substantive language of HCR 207 H.D.1 which removes references to the task force and retains provisions requiring the Auditor to conduct an audit of the disposal fee program. Your Committee has also:

- (1) Amended its title to read: "REQUESTING AN EXAMINATION AND AUDIT OF THE ADVANCE DISPOSAL FEE PROGRAM."; and
- (2) Made technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 74, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 74, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1694-14 Finance on S.C.R. No. 57

The purpose of this measure is to support a bid to the Council of Pacific Arts and Culture for Hawaii to host the 2020 Festival of Pacific Arts.

The Hawaii State Foundation on Culture and the Arts and three individuals submitted testimony in support.

Your Committee has amended this measure by changing the blanked out date to "when feasible."

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 57, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 57, H.D. 1.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1695-14 Education on S.C.R. No. 51

The purpose of this measure is to request that the youth risk behavior survey be administered, in odd-numbered years, to students in grades six to twelve in select public and charter schools, and in private schools.

This measure also requests that a student be excused from participating in the youth risk behavior survey if the student's parent or legal guardian submits written notification to the school stating that the parent or legal guardian does not give permission for that student to participate in the survey.

The Hui for Excellence in Education, Hawaii Youth Services Network, and Planned Parenthood of Hawaii supported this measure. The Department of Education supported this measure with amendments.

The Department of Health supported the intent of this measure with amendments.

Your Committee finds that the cost for additional data collection at charter and private schools would place an unnecessary burden on the schools and their students and would increase the costs of survey administration, which are not budgeted. Your Committee further finds that a census is not needed to obtain representative data for this population.

Your Committee has amended this measure by:

- (1) Clarifying that the Department of Education is requested to administer the youth risk behavior survey to a sample of students in select department schools;
- (2) Providing that the State Public Charter School Commission is requested to administer the youth risk behavior survey to a sample of students in select charter schools; and
- (3) Requesting that select private schools be given the opportunity to administer the youth risk behavior survey to a sample of students.

As affirmed by the record of votes of the members of your Committee on Education that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 51, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 51, S.D. 1, H.D. 1.

Signed by all members of the Committee except Representatives Aquino, Hanohano, Takai and Matsumoto.

SCRep. 1696-14 Veterans, Military, & International Affairs, & Culture and the Arts on S.C.R. No. 71

The purpose of this measure is to urge the State and state entities to support the Hokule'a and her crew as they journey around the world, visiting 26 countries and 85 ports, to raise awareness of the importance of ocean protection for the survival of life on Earth.

The Association of Hawaiian Civic Clubs, Hawaiian Educational Council, and Malama Honua Learning Center testified in support of this measure.

As affirmed by the record of votes of the members of your Committee on Veterans, Military, & International Affairs, & Culture and the Arts that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 71 and recommends its adoption.

Signed by all members of the Committee except Representatives Brower, Choy, Ohno, Wooley and McDermott.

SCRep. 1697-14 Finance on S.C.R. No. 31

The purpose of this measure is to request the auditor to conduct a sunrise review of the licensure and regulation of herbal therapists.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 31, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1698-14 Finance on S.C.R. No. 34

The purpose of this measure is to request the auditor to assess the social and financial impacts of requiring health insurers to offer coverage for hearing aids.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 34, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1699-14 Finance on S.C.R. No. 113

The purpose of this measure is to request that the Department of Education, Department of Land and Natural Resources, City and County of Honolulu, and United States Army Corps of Engineers to convene a working group to examine possible long-term solutions to the flooding issues at Kahuku High and Intermediate School.

The State of Hawaii Department of Education and Department of Land and Natural Resources and individuals submitted testimony in support. An individual submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 113, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1700-14 Finance on S.C.R. No. 116

The purpose of this measure is to request the Hawaii Access to Justice Commission to convene a working group to develop an educational loan repayment program for William S. Richardson School of Law graduates to expand opportunities to pursue public interest careers in Hawaii that directly serve underserved communities.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 116 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1701-14 Finance on S.C.R. No. 118

The purpose of this measure is to urge the Department of Hawaiian Home Lands to submit a report to the legislature regarding its policy to develop rental properties for occupancy by its beneficiaries and ensure that beneficiaries maintain their placement on the waitlist for homestead leases while residing in a department rental.

The Sovereign Councils of the Hawaiian Homelands Assembly submitted testimony in support. The State of Hawaii Department of Hawaiian Home Lands provided comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 118 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1702-14 Finance on S.C.R. No. 13

The purpose of this measure is to approve the sale of the leased fee interest in 41-669 Inoaole Street, Waimanalo, Hawaii.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 13 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.
(Representative Jordan voted no.)

SCRep. 1703-14 Finance on S.C.R. No. 24

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Kaneohe, Koolaupoko, Oahu, for the maintenance and repair of the existing seawall, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the

intent and purpose of S.C.R. No. 24 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1704-14 Finance on S.C.R. No. 56

The purpose of this measure is to authorize the issuance of a lease covering a portion of state submerged lands at Piers 24 to 26 in Honolulu Harbor, Oahu, for Pacific Shipyards International.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 56, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1705-14 Finance on S.C.R. No. 77

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement, covering a portion of state submerged lands at Waiohuli-Keokea homesteads, Kihei, Maui, for seawall and rock revetment purposes.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1706-14 Finance on S.C.R. No. 78

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Kailua, Koolaupoko, Oahu, for rock blanket and revetment purposes.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 78, S.D. 1, and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1707-14 Finance on S.C.R. No. 12

The purpose of this measure is to authorize the issuance of a lease and easement of certain submerged lands at Manele Bay, Lana'i, to Lana'i Resorts, LLC.

Pulama Lana'i, the Manele Harbor Advisor Committee, and the State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 12 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1708-14 Finance on S.C.R. No. 16

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Heeia, Koolaupoko, Oahu, for the maintenance and repair of the existing pier, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted comments.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 16 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1709-14 Finance on S.C.R. No. 17

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Laie,

Koolauloa, Oahu, for the maintenance and repair of the existing revetment and steps, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 17 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1710-14 Finance on S.C.R. No. 18

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Niu, Honolulu, Oahu, for the maintenance and repair of the existing seawall and steps, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 18 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1711-14 Finance on S.C.R. No. 19

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Kahaluu, Koolaupoko, Oahu, for the maintenance and repair of the existing landscaping area, concrete wall, and footing, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 19 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1712-14 Finance on S.C.R. No. 20

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Mokuleia, Waialua, Oahu, for the maintenance and repair of the existing seawall and concrete footing, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 20 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1713-14 Finance on S.C.R. No. 21

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Kualoa, Koolaupoko, Oahu, for the maintenance and repair of the existing seawall and steps, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 21 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1714-14 Finance on S.C.R. No. 22

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering portion of state submerged lands at Haleaha, Koolauloa, Oahu, for the maintenance and repair of the existing seawall, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 22 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1715-14 Finance on S.C.R. No. 23

The purpose of this measure is to authorize the issuance of two (2) term, non-exclusive easements covering portion of state submerged lands at Mokuleia, Waialua, Oahu, for the maintenance and repair of the existing seawall and rock pile, and for use, maintenance, and repair of the existing improvements constructed thereon.

The State of Hawaii Department of Land and Natural Resources submitted testimony in support.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 23 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1716-14 Finance on S.C.R. No. 146

The purpose of this measure is to authorize the issuance of a term, non-exclusive easement covering a portion of state submerged lands at Niu, Honolulu, Oahu, for the use, maintenance, repair, replacement, and removal of an existing concrete pad, ladder, steps, and rock walls and for the use, maintenance, repair, replacement, and removal of the existing improvements constructed thereon.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 146 and recommends its adoption.

Signed by all members of the Committee except Representative Hashem.

SCRep. 1717-14 Public Safety on S.C.R. No. 120

The purpose of this measure is to address the current correctional needs of the State by requesting the Governor to explore a competitively procured public-private partnership agreement for a new system of correctional facilities that may include reentry centers, reporting centers, treatment centers, prisons, jails, and halfway homes, to be owned and operated by the State and its counties.

The Department of Public Safety, Department of the Attorney General, Department of Budget and Finance, Department of Land and Natural Resources, and one concerned individual supported this measure. The Department of Accounting and General Services supported the intent of this measure. Community Alliance on Prisons, Ohana Hoopakele, Malu Aina, Hawaii Sustainable Community Alliance, Hawaii Friends of Justice and Civic Education, Filipino Law Students Association at the University of Hawaii at Manoa, Pacific and Asian Center for Theologies and Strategies, Hawaii Coalition for Immigration Reform, and numerous concerned individuals opposed this measure. The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO, offered comments on this measure.

Your Committee is supportive of the Legislature's position that any public-private partnership agreement involving the renovation and new construction of correctional facilities would be run and operated by public employees.

Further, your Committee requests that the Department of Public Safety and the Department of Accounting and General Services monitor the bidding process and carefully scrutinize the history, reputations, and other relevant details of the bidders and corporations involved in the projects, as required under law.

Further, your Committee urges that the State employ a local workforce and local contractors on these projects.

As affirmed by the record of votes of the members of your Committee on Public Safety that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 120, S.D. 2, and recommends its adoption.

Signed by all members of the Committee except Representatives Har and Takumi.

SCRep. 1718-14 Finance on H.R. No. 52

The purpose of this measure is to support mandatory kindergarten.

Your Committee distributed a proposed draft of this measure in order to conduct a public hearing on its substance. As proposed, this measure urges the United States to support the Republic of China's (Taiwan) participation in the Trans-Pacific Partnership.

Your Committee has amended this concurrent resolution by:

- (1) Replacing its contents with the provisions of the proposed draft, that would urge the United States to support the Republic of China's (Taiwan) participation in the Trans-Pacific Partnership;

- (2) Amending its title to read: "URGING THE UNITED STATES TO SUPPORT THE REPUBLIC OF CHINA'S (TAIWAN) PARTICIPATION IN THE TRANS-PACIFIC PARTNERSHIP"; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee concurs with the intent and purpose of H.R. No. 52, as amended herein, and recommends its adoption in the form attached hereto as H.R. No. 52, H.D. 1.

Signed by all members of the Committee except Representative Hashem.