

## THIRTY-SIXTH DAY

Thursday, March 11, 1976

The Senate of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, convened at 11:30 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Reverend Donald K. Johnson of the Lutheran Church of Honolulu, after which the Roll was called showing all Senators present with the exception of Senator Takitani.

The President announced that he had read and approved the Journal of the Thirty-Fifth Day.

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

Senator Yee introduced 80 tenth grade students from Roosevelt High School, and their teacher, Mrs. Faith Lee.

Senator O'Connor introduced 75 fifth grade students from Kahala Elementary School, together with their teachers, Mrs. Carol Maehara, Mrs. Kiyono Iwamoto and Mrs. Caryl Campbell.

Senator O'Connor then introduced Miss Beth Kent, a student volunteer in his office, who is a member of the Community Studies Program at Kalani High School.

Senator Young then introduced the members of the Palisades Elementary School Student Council, and their teachers, Mrs. Betty Okano and Mr. Andy Niimi.

## HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 51 to 58) were read by the Clerk and were disposed of as follows:

A communication from the House (Hse. Com. No. 51), transmitting House Concurrent Resolution No. 16, which was adopted by the House of Representatives on March 10, 1976, was placed on file.

By unanimous consent, H.C.R. No. 16, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING A THOROUGH STUDY AND EXAMINATION OF THE FUEL ADJUSTMENT CLAUSE AS A REGULATORY DEVICE FOR REVISING RATES FOR PUBLIC UTILITY ENERGY SERVICES", was referred to the Committee on Public Utilities.

A communication from the House (Hse. Com. No. 52), transmitting House Concurrent Resolution No. 63, which was adopted by the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.C.R. No. 63, entitled: "HOUSE CONCURRENT RESOLUTION COMMENDING SUCCESSFUL IMPLEMENTATION OF THE PUBLIC SAFETY PROGRAM BY THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION 1186 AND THE PACIFIC ELECTRICAL CONTRACTORS' ASSOCIATION", was adopted.

A communication from the House (Hse. Com. No. 53), transmitting House Bill No. 626, H.D. 1, which passed Third Reading in the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.B. No. 626, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PREVENTING LITTER FROM TRUCKS", passed First Reading by title and was referred to the Committee on Transportation.

A communication from the House (Hse. Com. No. 54), transmitting House Bill No. 2101-76, H.D. 1, which passed Third Reading in the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.B. No. 2101-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AUDIT AND ACCOUNTING", passed First Reading by title and was referred to the Committee on Ways and Means.

A communication from the House (Hse. Com. No. 55), transmitting House Bill No. 2377-76, which passed Third Reading in the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.B. No. 2377-76, entitled: "A BILL FOR AN ACT RELATING TO FISHING VESSEL LOAN PROGRAMS", passed First Reading by title and was referred to the Committee on Economic Development, then to the Committee on Ways and Means.

A communication from the House

(Hse. Com. No. 56), transmitting House Bill No. 2407-76, H.D. 1, which passed Third Reading in the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.B. No. 2407-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FINANCIAL AIDS", passed First Reading by title and was referred to the Committee on Higher Education, then to the Committee on Ways and Means.

A communication from the House (Hse. Com. No. 57), transmitting House Bill No. 2831-76, H.D. 1, which passed Third Reading in the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.B. No. 2831-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO A REAL PROPERTY TAX EXEMPTION FOR FOREIGN TRADE ZONES", passed First Reading by title and was referred to the Committee on Ways and Means.

A communication from the House (Hse. Com. No. 58), transmitting House Bill No. 2846-76, H.D. 1, which passed Third Reading in the House of Representatives on March 10, 1976, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.B. No. 2846-76, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INCOME TAXATION", passed First Reading by title and was referred to the Committee on Ways and Means.

#### SENATE CONCURRENT RESOLUTION

A concurrent resolution (S.C.R. No. 71), entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A FEASIBILITY STUDY AND SITE SELECTION FOR A WINDWARD COMMUNITY CULTURAL CENTER, OAHU", was jointly offered by Senators Hulten, Takitani, Ching, Ushijima, Chong, Young, Yamasaki, Hara, Yim, Toyofuku, King, Kuroda, Saiki, F. Wong, Soares, Anderson, Yee, Henderson, Leopold, R. Wong, O'Connor, Taira, George and Nishimura, and was read by the Clerk.

By unanimous consent, S.C.R. No. 71 was referred to the Committee on Ecology, Environment and Recreation.

#### SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 285 to 289) were read by the

Clerk and were disposed of as follows:

A resolution (S.R. No. 285), entitled: "SENATE RESOLUTION HONORING MRS. GENEVIEVE OKINAGA FOR HER DEDICATION TOWARDS PROMOTING EARLY CHILDHOOD EDUCATION", was jointly offered by Senators Taira, Kawasaki, Ushijima, Hara, Toyofuku, Nishimura, Yim, King, Ching, F. Wong, Kuroda, Chong, Hulten, O'Connor, Takitani, Yamasaki, Young, R. Wong, Leopold, Soares, George, Yee and Henderson.

On motion by Senator Taira, seconded by Senator Yee and carried, S.R. No. 285 was adopted.

A resolution (S.R. No. 286), entitled: "SENATE RESOLUTION REQUESTING A COMPREHENSIVE REVIEW OF UNEMPLOYMENT COMPENSATION INSURANCE FINANCING METHODS", was jointly offered by Senators Toyofuku, Ching, Hulten, Taira, Yamasaki, Takitani, Young, Chong, F. Wong, Hara and Kawasaki.

By unanimous consent, S.R. No. 286 was referred to the Committee on Human Resources, then to the Committee on Legislative Management.

A resolution (S.R. No. 287), entitled: "SENATE RESOLUTION REQUESTING A REVIEW OF COMPULSORY BINDING ARBITRATION AS AN ALTERNATIVE TO THE RIGHT TO STRIKE AS A MEANS FOR IMPASSE RESOLUTION IN THE PUBLIC SECTOR", was jointly offered by Senators Toyofuku, Ching, Hulten, Taira, Takitani, Chong, F. Wong, Hara and Kawasaki.

By unanimous consent, S.R. No. 287 was referred to the Committee on Human Resources.

A resolution (S.R. No. 288), entitled: "SENATE RESOLUTION REQUESTING THE CONGRESS OF THE UNITED STATES TO ACT TO RELIEVE THE EXTREME FINANCIAL PRESSURE AND DRAIN GENERATED BY THE HEAVY INCREASE IN IMMIGRATION", was jointly offered by Senators Toyofuku, Ching, Hulten, Taira, Takitani, Chong, F. Wong, Hara and Kawasaki.

By unanimous consent, S.R. No. 288 was referred to the Committee on Judiciary.

A resolution (S.R. No. 289), entitled: "SENATE RESOLUTION REQUESTING A FEASIBILITY STUDY AND SITE SELECTION FOR A WINDWARD COMMUNITY CULTURAL CENTER, OAHU", was jointly offered by Senators Hulten, Takitani, Ching, Ushijima, Chong,

Young, Yamasaki, Hara, Yim, Toyofuku, King, Kuroda, Saiki, F. Wong, Soares, Anderson, Henderson, Leopold, R. Wong, Yee, O'Connor, Taira, George and Nishimura.

By unanimous consent, S.R. No. 289 was referred to the Committee on Ecology, Environment and Recreation.

#### STANDING COMMITTEE REPORTS

Senator Yamasaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 364-76) informing the Senate that Senate Concurrent Resolution No. 70; Senate Resolution Nos. 280 to 288; and Standing Committee Report No. 365-76 have been printed and are ready for distribution.

On motion by Senator Yamasaki, seconded by Senator Henderson and carried, the report of the Committee was adopted.

Senator Toyofuku, for the majority of the Committee on Human Resources, presented a report (Stand. Com. Rep. No. 365-76) recommending that Senate Bill No. 2225-76, S.D. 1, as amended in S.D. 2, pass Third Reading.

In accordance with Article III, Section 16, of the Constitution of the State of Hawaii, the 24-hour notice was given on S.B. No. 2225-76, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PREPAID HEALTH CARE".

At 11:40 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:49 o'clock a.m.

#### ORDER OF THE DAY

#### MATTERS DEFERRED FROM MARCH 10, 1976

Senate Bill No. 2519-76, S.D. 1:

On motion by Senator Chong, seconded by Senator Taira and carried, S.B. No. 2519-76, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SAFE DRINKING WATER", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Takitani).

Senate Bill No. 2923-76:

By unanimous consent, S.B. No.

2923-76, entitled: "A BILL FOR AN ACT RELATING TO CULTURE AND THE ARTS", was recommitted to the Committee on Education.

Senate Bill No. 2326-76, S.D. 1:

By unanimous consent, action on S.B. No. 2326-76, S.D. 1, was deferred to the end of the calendar.

#### THIRD READING

Standing Committee Report No. 354-76 (S.B. No. 1475, S.D. 1):

By unanimous consent, Stand. Com. Rep. No. 354-76 and S.B. No. 1475, S.D. 1, entitled: "A BILL FOR AN ACT TO AMEND CHAPTER 46, HAWAII REVISED STATUTES, RELATING TO GENERAL PROVISIONS", were recommitted to the Committee on Economic Development.

Standing Committee Report No. 355-76 (S.B. No. 1949-76, S.D. 1):

On motion by Senator F. Wong, seconded by Senator Hara and carried, Stand. Com. Rep. No. 355-76 was adopted and S.B. No. 1949-76, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO POLICY PLANNING", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Takitani).

Standing Committee Report No. 356-76 (S.B. No. 2092-76, S.D. 2):

On motion by Senator F. Wong, seconded by Senator Hara and carried, Stand. Com. Rep. No. 356-76 was adopted and S.B. No. 2092-76, S.D. 2, entitled: "A BILL FOR AN ACT AMENDING SECTION 205-35 OF THE HAWAII REVISED STATUTES, RELATING TO SHORELINE SETBACKS", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Takitani).

Standing Committee Report No. 357-76 (S.B. No. 2094-76):

On motion by Senator F. Wong, seconded by Senator Hara and carried, Stand. Com. Rep. No. 357-76 was adopted and S.B. No. 2094-76, entitled: "A BILL FOR AN ACT AMENDING SECTION 101-2 OF THE HAWAII REVISED STATUTES, RELATING TO TAKING OF PRIVATE PROPERTY FOR PUBLIC USE AND THE DISPOSAL

OF EXCESS PROPERTY", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Takitani).

Senate Bill No. 1822-76, S.D. 1:

By unanimous consent, S.B. No. 1822-76, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION DISTRICTS", was recommitted to the Committee on Economic Development.

Senate Bill No. 2545-76:

On motion by Senator F. Wong, seconded by Senator Hara and carried, S.B. No. 2545-76, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 23. Noes, 1 (King). Excused, 1 (Takitani).

Senate Bill No. 2884-76:

On motion by Senator F. Wong, seconded by Senator Hara and carried, S.B. No. 2884-76, entitled: "A BILL FOR AN ACT RELATING TO THE APPOINTMENT OF AN EXECUTIVE OFFICER BY THE STATE LAND USE COMMISSION AND THE EXEMPTION OF THE POSITION FROM CIVIL SERVICE STATUS", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Takitani).

Senate Bill No. 2885-76:

On motion by Senator F. Wong, seconded by Senator Hara and carried, S.B. No. 2885-76, entitled: "A BILL FOR AN ACT RELATING TO AMENDMENTS TO DISTRICT BOUNDARIES BY THE STATE LAND USE COMMISSION AND TO SPECIAL USE PERMITS", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, none. Excused, 1 (Takitani).

Senate Bill No. 2902-76:

By unanimous consent, action on S.B. No. 2902-76, entitled: "A BILL FOR AN ACT RELATING TO REAL PROPERTY LEASES", was deferred until Friday, March 12, 1976.

## RECONSIDERATION OF ACTION TAKEN

Standing Committee Report No. 363-76 (S.B. No. 2992-76, S.D. 1):

Senator F. Wong moved that the Senate reconsider its action taken on Stand. Com. Rep. No. 363-76 and S.B. No. 2992-76, S.D. 1, seconded by Senator Hara and carried.

At this time, the President referred S.B. No. 2992-76, S.D. 1, to the Committee on Economic Development, then to the Committee on Ways and Means.

On motion by Senator F. Wong, seconded by Senator Hara and carried, Stand. Com. Rep. No. 363-76 was received and placed on file and S.B. No. 2992-76, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DISASTER RELIEF AND REHABILITATION", passed Second Reading and was referred to the Committee on Ways and Means.

At 11:55 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:58 o'clock a.m.

## MATTER DEFERRED FROM EARLIER ON THE CALENDAR

Senate Bill No. 2326-76, S.D. 1:

Senator Toyofuku moved that S.B. No. 2326-76, S.D. 1, having been read throughout, pass Third Reading, seconded by Senator Taira.

At this time, Senator Yamasaki rose to speak against the bill as follows:

"Mr. President,

Section 1 of the bill proposes to amend the definition of a 'week of employment', so that at least 20 hours of work per week would be required in order to qualify for benefits.

I oppose this proposal because it punishes and discriminates against persons who are unable to locate full time employment. There are many persons, especially during high unemployment periods or economic depressions, who are part-time or casual workers, not by choice but because there are insufficient full time jobs available. By accepting the proposal in Section 1, the Legislature would be disqualifying people who

are most in need of unemployment insurance benefits and, also, deserving of such benefits.

I further oppose the proposal of Section 1 because a 20-hour work week requirement could easily be manipulated by employers to deprive workers of benefits. I am told that 19 hours of work are now being offered many workers, because 20 hours would cover them under the Prepaid Health Care Law and the Temporary Disability Insurance Law.

The proposal would only result in more unemployment by lessening work opportunity and reducing the take-home pay of employees. It would also discourage persons from seeking less than full time employment.

Section 2 of the bill proposes to disqualify a person who voluntarily quits a job, is discharged, or refuses to accept suitable work from receiving benefits until he finds new employment.

This would banish a worker from the ranks of the work force for purposes of unemployment compensation, just because an employer may have forced him to quit or may have discharged him. It would make him an outcast from the work force for unemployment compensation purposes because he may have refused an offered job which someone else thinks is suitable...especially in cases when referral is made to a job which is actually not suitable.

It would also punish workers for acts which may be perfectly justified, especially those workers whose work attendance and behavior on the job have been stable.

It would force these workers to seek welfare aid when they should be recipients of unemployment insurance.

I see this section as a means of shifting the burden upon the general taxpayer as a whole, rather than keeping it with the employer, as in the present law. This will eliminate the motive for employers to keep jobs attractive for employees.

During this period of high unemployment, the highest in 24 years, it is unrealistic to expect that requalification would be a simple matter for most workers. The proposed requirements would only tend to create a new group of welfare clients. It would also tend to deprive unemployed persons of self-respect and humiliate them, contrary to a primary purpose of

the law.

Mr. President, I appreciate the concern expressed by employer groups to reduce abuses in unemployment compensation, but in so doing, we are, in effect, hurting the workers who want to be attached to the labor work force.

Therefore, Mr. President, I urge that a No vote be cast on this bill by the members of this Body.

Thank you."

Senator Toyofuku then rose to state that he is "equally opposed to employer abuses, as well as abuses by employees", and that he will "apprise the Chairman of the House Committee on Labor and Public Employment to look into this particular area of concern". He then urged the members of the Senate to support the bill.

Senator Kawasaki rose to speak as follows:

"Mr. President, I am in favor of this bill.

I appreciate the statistics quoted by the first speaker. I believe that we've got to consider very seriously the fact that never in the last 24 years have we had such a high rate of unemployment. We all share his concern about the unemployment situation.

I hope this concern will be carried over to when we are asked, almost carte blanche, to approve some employee raises...categories of employees that may not be able to justify their raises. Without a doubt, it will come the last two nights of the Session.

Let us consider the first speaker's statements very seriously."

Senator Anderson then rose to speak in favor of the bill as follows:

"Mr. President,

This is not an anti-labor bill--in no way. It is not really a pro-management bill. It increases management participation from 3% to 3.5%. I think the employers in the State, who have long been trying for reform, are willing to absorb, or pass on, or increase their participation, if they can be assured or promised that corrections at the top will take place.

The 20-hour question, brought up by the first speaker...and the

possible manipulation...is not valid. We asked the Director of Labor and Industrial Relations, at the particular hearing on this bill, how many complaints, letters, or even telephone calls, over the last couple of years, had he received as to employers hiring for 19 hours, instead of 20, to miss paying one of the many programs that we have. Not one...he hasn't received a complaint, a letter, or a phone call about any employer in the State trying to cut the 20 hours down to 19 hours...I really don't think it is valid...and I will say the Committee spent a lengthy part of their hearing on this question. It was thoroughly heard out.

The first speaker mentioned that we're going to create a new welfare group.

A 'good cause', as I remember the Director of Labor and Industrial Relations, is to be a good cause. I could still quit a job, under this bill, because the traveling time is too far or my wife is ill--some legitimate good cause--and qualify for unemployment compensation. It's not going to disqualify automatically every person quitting a job. If a person is fired or discharged because his hand is caught in the cookie jar...today, he waits his two or eight weeks and gets his unemployment compensation...this bill would say 'no' because of that kind of 'good cause'--you're not eligible. I think that's really fair.

The unions, one and all, testified against this bill--the entire bill--it was a 'bad' bill--and they wanted no part of it. Had they come before the Committee on Human Resources and singled out the 20 hours, or any section that was going to affect their membership, I am confident the Chairman and the Committee members would have listened and responded to them. But it was all or nothing--they didn't want anything.

I believe that this Committee, knowing its makeup, would have responded to legitimate participation, legitimate concerns. I guess the feeling was the votes were there to kill it, and they wouldn't participate in bringing out a bill that was agreeable to both labor and management.

One more thing I'd like to clarify is the burden of the employer versus the taxpayer. If anybody thinks the employer absorbs the unemployment compensation, he's living in another world. Every single cost given to any employer is ultimately passed on to the taxpayer. No employer absorbs

2.5%, or 3% or 3.5%. It's part of his costs...and when it gets to a certain figure, it is passed on to the consumer--whether you're at the grocery store or buying a newspaper.

You are asking in this bill for people like myself, small businessmen and large, to pay for the high unemployment...the contractors, the electricians, the ditch diggers, the white collar, the blue collar. And I say fine, I'll accept this responsibility as a social obligation, because I think the legitimately unemployed need compensation. They need those dollars to pay the kids' tuition, the car, the house mortgage.

However, the responsibility is only on the private sector. We didn't touch the agriculture, the sugar and pine, people, who are self-employed. I think the burden of social obligation in this time of high unemployment should be shared by all businessmen in the State. Also, I say the State ought to pay its fair share, Mr. President. We've exempted the agricultural workers who have their self-insured program, and we've exempted the State. I don't think that is fair.

If we in the business community and the public, the taxpayer, are willing to absorb and accept this burden in this time of need, then I think it should be borne by all of us and not just a segment.

It's a good bill. If there are any bad parts--and I don't think there are--they will be caught in the conference committee, as you all well know. This bill was heard, it was discussed--every aspect, every section--and everybody had his day in court.

It's the first real positive step we've made in a long time to correct what should have been done a long time ago.

I urge its passage.

Thank you."

The motion was put by the Chair and carried, and S.B. No. 2326-76, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 17. Noes, 7 (King, Kuroda, Nishimura, R. Wong, Yamasaki, Yim and Young). Excused, 1 (Takitani).

At 12:10 o'clock p.m., the Senate stood in recess subject to the call

of the Chair.

ADJOURNMENT

The Senate reconvened at 12:11  
o'clock p.m.

At 12:12 o'clock p.m., on motion  
by Senator Taira, seconded by Senator  
Anderson and carried, the Senate  
adjourned until 11:30 o'clock a.m.,  
Friday, March 12, 1976.