THIRTY-EIGHTH DAY

Monday, March 13, 1978

The Senate of the Ninth Legislature of the State of Hawaii, Regular Session of 1978, convened at 11: 30 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Reverend Robert J. da Ponte of St. Theresa Church, after which the Roll was called showing all Senators present.

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

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

Senator Taira introduced 31 fifth grade students from the Hongwanji Mission School, accompanied by their teacher Brian Date.

Senator Anderson introduced 50 members of the Makua Alii Senior Center.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 149 to 159) were read by the Clerk and were disposed of as follows:

A message from the Governor (Gov. Msg. No. 149), submitting for consideration and confirmation to the Advisory Committee on Flowers and Foliage, the following nominations:

Kenneth K. Komori, term to expire December 31, 1979;

John M. Hirashima, term to expire December 31, 1981; and

Albert S. Nagahisa, Sr., term to expire December 31, 1981,

was referred to the Committee on Economic Development.

A message from the Governor (Gov. Msg. No. 150), submitting for consideration and confirmation to the Natural Area Reserves System Commission, the nominations of Derral Herbst, Ph.D, and Augustine S. Furumoto, Ph.D., terms to expire December 31, 1981, was referred to the Committee on Ecology, Environment and Recreation.

A message from the Governor (Gov. Msg. No. 151), submitting for consideration and confirmation to the Environmental Quality Commission, the following nominations: Jerrold M. Michael, term to expire December 31, 1979;

John E. K. Akana, term to expire December 31, 1981;

Henry F. Alves, term to expire December 31, 1981;

Frank S. Yamamoto, term to expire December 31, 1981; and

Miles A. Kinley, term to expire December 31, 1981,

was referred to the Committee on Ecology, Environment and Recreation.

A message from the Governor (Gov. Msg. No. 152), submitting for consideration and confirmation to the Advisory Commission on Manpower and Full Employment, the following nominations:

Roy M. Asato, term to expire December 31, 1979;

Cesar Portugal, term to expire December 31, 1980;

William F. Remular, term to expire December 31, 1981;

Walter M. Ouye, term to expire December 31, 1981;

Richard O. Aadland, term to expire December 31, 1981;

Ernesto Bautista, term to expire December 31, 1981;

Tom T. Hiranaga, term to expire December 31, 1981;

Frank Skrivanek, term to expire December 31, 1981;

Lillian A. Yamanaka, term to expire December 31, 1981; and

Toru Suzuki, term to expire December 31, 1979,

was referred to the Committee on Human Resources.

A message from the Governor (Gov. Msg. No. 153), submitting for consideration and confirmation to the Board of Certification for Practicing Psychologists, the nominations of Jayne G. Garside, Ph.D., and Janis Ishihara Obara, terms to expire December 31, 1981, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 154), submitting for consideration and confirmation to the Board of Electricians and Plumbers, the nominations of Raymond C. Thomas and Mario A. Selvaggio, terms to expire December 31, 1981, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 155), submitting for consideration and confirmation to the Board of Massage, the nomination of Mike M. Hashimoto, term to expire December 31, 1981, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 156), submitting for consideration and confirmation to the Board of Private Detectives and Guards, the nomination of John S. San Diego, Sr., term to expire December 31, 1981, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 157), submitting for consideration and confirmation to the Cemetery and Mortuary Board, the nominations of R. Gregg Hall and Linda B. Cravalho, terms to expire December 31, 1981, was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 158), submitting for consideration and confirmation to the Collection Agency Board, the following nominations:

Ricardo E. Olegario, term to expire December 31, 1980;

Doris E. Ikeda, term to expire December 31, 1981; and

Joseph G. Lewis, term to expire December 31, 1981,

was referred to the Committee on Judiciary.

A message from the Governor (Gov. Msg. No. 159), submitting for consideration and confirmation to the Public Utilities Commission, the nomination of Sunao Kido, term to expire December 31, 1983, was referred to the Committee on Public Utilities.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 250 and 251) were read by the Clerk and were disposed of as follows:

A communication from the House (Hse. Com. No. 250) transmitting House Concurrent Resolution No. 89, which was adopted by the House of Representatives on March 10, 1978, was placed on file.

On motion by Senator Taira, seconded by Senator Anderson and carried, H.C.R. No. 89, entitled: "HOUSE CONCURRENT RESOLUTION COMMENDING GABBY PAHINUI FOR HIS OUTSTANDING CONTRIBUTIONS TO MUSIC IN HAWAII", was adopted.

A communication from the House (Hse. Com. No. 251) transmitting House Bill No. 3039-78, H.D. 1, which passed Third Reading in the House of Representatives on March 10, 1978, by not less than two-thirds vote of all the members to which the House is entitled, was placed on file.

On motion by Senator Taira, seconded by Senator R. Wong and carried, H.B. No. 3039-78, H.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE FISCAL BIENNIUM JULY 1, 1977 TO JUNE 30, 1979", passed First Reading by title and was referred to the Committee on Ways and Means.

SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 302 and 303) were read by the Clerk and were disposed of as follows:

A resolution (S.R. No. 302), entitled: "SENATE RESOLUTION REQUESTING A STUDY ON IMPLEMENTATION OF A CENTRALIZED COPIER AND DUPLICATING MANAGEMENT PROGRAM IN HAWAII", was jointly offered by Senators Hulten, Kawasaki, Kuroda, Saiki, F. Wong, Yamasaki, King, Takitani, Young, Chong, Hara, Toyofuku, Yee, George, Ching, Nishimura, R. Wong, Taira, Soares, Leopold and Henderson.

By unanimous consent, S.R. No. 302 was referred to the Committee on Government Operations and then to the Committee on Legislative Management.

A resolution (S.R. No. 303), entitled: "SENATE RESOLUTION COMMENDING JUDITH BENDER OF HONOLULU FOR WINNING FIFTH PLACE IN THE NATIONAL SCIENCE TALENT SEARCH CONTEST HELD IN WASHINGTON, D.C.", was jointly offered by Senators Soares, Saiki, Leopold, Yee, Anderson, R. Wong, King, Henderson, Yamasaki, Hulten, Taira, Kuroda, Toyofuku, Ushijima, Nishimura, Yim, Chong, Young, F. Wong, Ching, Takitani, Kawasaki, Hara, O'Connor and George.

On motion by Senator Soares, seconded by Senator Saiki and carried, S.R. No. 303 was adopted.

At this time, Senator Soares introduced to the members of the Senate the honoree, Judith Bender, and presented her with a certified copy of the resolution. Senator Nishimura presented her with a carnation lei. At 11:40 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:42 o'clock a.m.

Senator Soares then introduced to the members of the Senate Miss Bender's mother and sister.

STANDING COMMITTEE REPORTS

Senator Yamasaki, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 533-78) informing the Senate that Governor's Message Nos. 149 to 159, Senate Resolution Nos. 300 to 302 and Standing Committee Report Nos. 534-78 to 537-78 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 Ching, for the Committee on Military and Civil Defense, presented a report (Stand. Com. Rep. No. 534-78) recommending that the Senate advise and consent to the nominations of John F. Chalmers, M.D., and Jeanne B. Johnson to the Civil Defense Advisory Council, in accordance with Governor's Message No. 85.

By unanimous consent, action on Stand. Com. Rep. No. 534-78 and Gov. Msg. No. 85 was deferred until Tuesday, March 14, 1978.

Senator Hulten, for the Committee on Government Operations, presented a report (Stand. Com. Rep. No. 535-78) recommending that House Bill No. 1688, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Senator Hulten, seconded by Senator Kawasaki and carried, the report of the Committee was adopted and H.B. No. 1688, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE LAW ENFORCEMENT PLANNING AGENCY", passed Second Reading and was referred to the Committee on Judiciary.

Senator Hulten, for the Committee on Intergovernmental Relations, presented a report (Stand. Com. Rep. No. 536-78) recommending that House Bill No. 2022-78, H.D. 2, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Economic Development.

On motion by Senator Hulten, seconded by Senator Kawasaki and carried, the report of the Committee was adopted and H.B. No. 2022-78, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC HEALTH, SAFETY AND WELFARE", passed Second Reading and was referred to the Committee on Economic Development.

Senator Hulten, for the Committee on Intergovernmental Relations, presented a report (Stand. Com. Rep. No. 537-78) recommending that House Bill No. 2319-78, H.D. 1, as amended in S.D. 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Senator Hulten, seconded by Senator Kawasaki and carried, the report of the Committee was adopted and H.B. No. 2319-78, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATUS OF WOMEN", passed Second Reading and was referred to the Committee on Judiciary.

ORDER OF THE DAY

RE-REFERRAL OF HOUSE BILLS

The President made the following rereferral of bills that were received on March 8, 1978:

No. 1815-78, H.D. 1 Committee on Human Resources

No. 2593-78, H.D. 1 Committee on Transportation

No. 2860-78, H.D. 1 Committee on Judiciary

MATTER DEFERRED FROM FRIDAY, MARCH 10, 1978

Standing Committee Report No. 531-78 (Gov. Msg. No. 88):

Senator Toyofuku moved that Stand. Com. Rep. No. 531-78 be received and placed on file, seconded by Senator Young and carried.

Senator Toyofuku then moved that the Senate advise and consent to the nomination of Yukio Takemoto to the Labor and Industrial Relations Appeals Board, term to expire December 23, 1987, seconded by Senator Young.

Roll Call having been ordered, the motion was put by the Chair and carried on the following showing of Ayes and Noes:

Ayes, 25. Noes, none.

THIRD READING

House Bill No. 1802-78, H.D. 1:

Senator Toyofuku moved that H.B. No. 1802-78, H.D. 1, having been read throughout, pass Third Reading, seconded by Senator Young.

At this time, Senator Kawasaki expressed his concern about the bill, stating:

"Mr. President, while I support this bill I'm a little concerned about our imitating, if you will, the futile practice of setting wage increases four years in advance. In this particular case, up to July 1, 1981.

I would certainly support the raising of the minimum wage to \$2.65 an hour and possibly to \$2.90 to meet with the federal parity but I am afraid that taking a fatalistic attitude as setting and just assuming that inflation is going to take place continually, four years hence, I think only feeds this vicious spiral of inflation . . . labor asking for more and the businessman and employer charging more for goods to pay for that added cost of labor plus an additional profit for himself. This vicious cycle has just contributed, I think, to the inflationary cycle that has hurt consumers throughout this nation in the last 10 years. I would hope that instead of doing this, setting wage increases four years hence, that we increase the minimum wage as we go, as we approach the July lst year and next year possibly go to \$2.90 and so on.

Just supposing we have recession taking place. What we may have to do is repeal what we have passed in previous years. As I have said, I have a jaundiced view of taking such a fatalistic attitude, that we'll never be able to cope with inflation. We're writing into this bill automatically the assumption that in 1981 we'll just have more inflation.

While I support this bill, I would like the Human Resources Committee to consider this concern in future years.

Thank you, Mr. President."

Senator Anderson then added as follows:

"Mr. President, very briefly, I'm going to vote against this bill. I signed the Committee report with reservations.

As I sit here reading the Committee report I'd just like to cite one quick example. It is an example, I guess, justifying the increases. For example, a head of a family of four who is employed full-time at the present \$2.40 an hour minimum is considered to be living in the poverty because . . . and it goes on and on. I don't know of anybody in this State who is supporting a family of four earning \$2.40 an hour.

We have tried to ascertain from the Department of Labor for the last several years as to how many people in our State are at the minimum and what kind of classes are they . . . whether they are students, young people or wage earners. As usual, the labor unions come in . . and support this wholeheartedly, even though every major labor union in this State is controlled by collective bargaining and this has no effect on the unionized employees.

As a small employer myself, I used to, and I say <u>used</u> to hire four, five or six young students every year. I hired them for various menial type occupations such as in the warehouse folding boxes, not because we needed them but it was a kind of social obligation to keep five or six people off the highways and off the roads, to keep them busy during the summer. The last time around, because of the increase in minimum wage, we had to cut back and we've now entirely eliminated hiring any young people during the summer months because we can no longer afford the minimum wage.

The types of people that are affected are basically young people and students, the McDonald's, the Farrell's, all of these quick hash houses who hire hundreds and hundreds of students. They aren't wage earners in the sense that they are supporting a family. They're wage earners to a point where they're putting a few bucks aside for college or they're putting a few dollars in their bank account for a rainy day. The record will show that the young people in our country are also spending more and more money on hi-fi sets, television sets, records. The spending capability of the young is increased tremendously by their being allowed to work in various types of jobs where an employer doesn't need high productivity out of them.

I'm sure somebody's going to say, before the week is over, that Anderson's against paying equal work for equal time. That's not true at all. If you hire a young person for a particular job and he's qualified then that job should pay him \$3, \$4, or \$5 an hour if that's what we should be paying him. But there are so many hundreds and thousands of young people employed today in our very State. It is very unfortunate that during the summertime we will see the hundreds of kids that will go before a small employer looking for any kind of work at any kind of salary and we can't put them on the payroll anymore because you raise it up so high.

Anybody who argues that somebody is supporting a family of four at \$2.40 is not telling the truth.

I was at first, going to ask for the Committee Report to be separated from this bill and support the legislation, but I just can't. I find that the Department of Labor in testifying before the Human Resources Committee used the federal bill to tack on and take the federal recommendation for the tip provision, which is entirely different than the State's. They had no legitimate reason. In other words, the Department of Labor takes from the federal government what it can justify and what it wants, but anytime the federal government has a benefit for the State our prolabor department seems to minimize it and I just think this whole thing should be looked at.

I really believe that a State Senator

asking the Department of Labor how many of our people and what categories are in the minimum wage, whether it is any problem in our community, whether jobs are being denied young people because of it and you can't get satisfactory answers, then I just can't go helter skelter and support this measure.

Thank you, Mr. President."

The motion was put by the Chair and carried, and H.B. No. 1802-78, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE WAGE AND HOUR LAW", having been read throughout, passed Third Reading on the following showing of Ayes and Noes:

Ayes, 24. Noes, 1 (Anderson).

ADJOURNMENT

At 11:51 o'clock a.m., on motion by Senator Taira, seconded by Senator Anderson and carried, the Senate adjourned until 11:30 o'clock a.m., Tuesday, March 14, 1978.