

## NINETEENTH DAY

Tuesday, February 16, 1982

The Senate of the Eleventh Legislature of the State of Hawaii, Regular Session of 1982, convened at 11:30 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Lay Minister Kuulei White of the Kalihi and Moanalua United Church of Christ, after which the Roll was called showing all Senators present with the exception of Senators Cobb and O'Connor who were excused.

The President announced that he had read and approved the Journal of the Eighteenth Day.

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

Senator Anderson introduced a group of 24 members of the St. Augustine's Senior Citizens Club.

Senator Carpenter introduced his aunt Sarah Meyer from Kailua and mother Louise Carpenter of Kaneohe who accompanied "Kahu" Kuulei White who delivered the invocation.

Senator Abercrombie then introduced a group of people associated with the power lifting contest which was held here in Hawaii last Friday as follows:

"Mr. President, we have guests from the mainland, world champions, and we have champions, of course, here from our state.

"May I say, Mr. President, that I think Hawaii is indeed fortunate that probably person for person we have the potential, if not the actuality, today, in what those of us who participate in call the 'iron game,' in weight lifting, body building, Olympic lifting and power lifting. We have in our state probably the finest combination in those areas of any state in the union and possibly any place in the world. I was pleased to hear from Mr. Jim Taylor, whom I'll introduce in a moment, who is international referee in the area of power lifting and weight training, that he believes that the State of Hawaii has now reached preeminence in the area of weight lifting and weight training.

"I'd like to start by introducing the promoter who has done more to put Hawaii on the map since the days of Tommy Kono and Peter George and some of the other great lifters who have also competed in the World's Strongest Man Contest and the World's

Superman Contest and the three national power lifting contests--one of the world's strongest men and certainly one of the world's greatest guys, my old pal from the weight room at the University of Hawaii, Gus Rethwisch; Ms. Susan Leng; a gentleman who has won two of the World's Strongest Man Contests, someone who is known as the world's strongest man, two national power lifting contest championships, one world championship, and the world superman and world record holder in the 275-pound class, 610-pound record, Tom Hardman; our homegrown champion, someone who has just missed getting Bill Kazmaier's record in the dumbbell press at 170 pounds and who holds the highest bench press record in the State of Hawaii at 573 pounds, Gabe Aio; and Lynn and Jim Taylor.

"Jim Taylor is an international referee who had the pleasure of witnessing our own great champion who is now the world champion and who has now done the greatest lift that has ever been done in the history of the world in terms of the squat, 981 pounds, Dwayne Fely. Dwayne was going to be here today but, unfortunately, couldn't make it. We're very, very proud of Dwayne, and Jim indicated to me that it was one of the finest lifts that he has ever seen.

"Thank you, Mr. President."

At 11:43 o'clock a.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:45 o'clock a.m.

At this time, the Chair requested that the Clerk note the presence of Senators Henderson and Yee.

## MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 88 and 89) were read by the Clerk and were disposed of as follows:

A message from the Governor (Gov. Msg. No. 88), transmitting copies of the Annual Report, Fiscal Year 1981, prepared by the Department of Defense pursuant to Chapter 93-12, HRS, as amended, was referred to the Committee on Government Operations and Intergovernmental Relations.

A message from the Governor (Gov.

Msg. No. 89), transmitting a letter recommending passage of Legislative Proposal F-12(82), Senate Bill 2516-82, which amends Act 22, SSLH 1981, by making supplemental appropriations for counsel and other services for indigent defendants in criminal and related cases, was referred to the Committee on Judiciary.

#### DEPARTMENTAL COMMUNICATION

A communication from the Office of the Auditor (Dept. Com. No. 7), transmitting Report No. 82-4, entitled: "Management Audit of the Leasehold to Fee Conversion Program of the Hawaii Housing Authority," dated February 1982, prepared by the Legislative Auditor of the State of Hawaii pursuant to Section 23-4, HRS, was read by the Clerk and was referred to the Committee on Housing and Hawaiian Homes.

#### HOUSE COMMUNICATION

A communication from the House (Hse. Com. No. 15), transmitting House Concurrent Resolution No. 80 which was adopted by the House of Representatives on February 12, 1982, was read by the Clerk and was placed on file.

On motion by Senator Kuroda, seconded by Senator Anderson and carried, H.C.R. No. 80, entitled: "HOUSE CONCURRENT RESOLUTION COMMEMORATING THE 100TH BIRTHDAY OF FRANKLIN DELANO ROOSEVELT," was adopted.

#### SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 22 and 23) were read by the Clerk and were disposed of as follows:

A resolution (S.R. No. 22), entitled: "SENATE RESOLUTION REQUESTING THE CHIEF JUSTICE TO STUDY THE COST AND FEASIBILITY OF USING TRIAL COURT FACILITIES ON A FULL-TIME BASIS," was offered by Senator Carpenter.

By unanimous consent, S.R. No. 22 was referred to the Committee on Judiciary.

A resolution (S.R. No. 23), entitled: "SENATE RESOLUTION URGING THE COUNTIES TO DEVELOP COST WRITE-DOWN PROGRAMS TO ENCOURAGE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING," was offered by Senators Young and Holt.

By unanimous consent, S.R. No. 23 was referred to the Committee on Housing and Hawaiian Homes.

#### INTRODUCTION OF SENATE BILLS

On motion by Senator Kuroda, seconded by Senator Anderson and carried, the following bills passed First Reading by title, were referred to print and were placed on the calendar for further consideration on Wednesday, February 17, 1982:

#### Senate Bills

No. 2532-82 "A Bill for an Act Relating to Community Development."

Introduced by: Senator Anderson.

No. 2533-82 "A Bill for an Act Relating to a Convention Facility Authority."

Introduced by: Senator Anderson.

No. 2534-82 "A Bill for an Act Relating to Campaign Spending."

Introduced by: Senator Carpenter.

No. 2535-82 "A Bill for an Act Relating to Child Abuse."

Introduced by: Senator Carpenter.

No. 2536-82 "A Bill for an Act Relating to the University of Hawaii System."

Introduced by: Senator Carpenter.

No. 2537-82 "A Bill for an Act Relating to Firearms."

Introduced by: Senator Carpenter, by request.

No. 2538-82 "A Bill for an Act Relating to Hunting."

Introduced by: Senator Carpenter, by request.

No. 2539-82 "A Bill for an Act Relating to Firearms."

Introduced by: Senator Carpenter, by request.

No. 2540-82 "A Bill for an Act Relating to Firearms."

Introduced by: Senator Carpenter, by request.

No. 2541-82 "A Bill for an Act Relating to Firearms."

Introduced by: Senators Mizuguchi, Toyofuku, Machida and Holt.

No. 2542-82 "A Bill for an Act Relating to Firearms."

Introduced by: Senators Mizuguchi,  
Toyofuku, Machida and Holt.

No. 2543-82 "A Bill for an Act Relating  
to Firearms."

Introduced by: Senators Mizuguchi,  
Toyofuku, Machida and Holt.

No. 2544-82 "A Bill for an Act Relating  
to Sentencing."

Introduced by: Senators Mizuguchi,  
Toyofuku, Machida and Holt.

No. 2545-82 "A Bill for an Act Relating  
to Firearms."

Introduced by: Senators Mizuguchi,  
Toyofuku, Machida and Holt.

No. 2546-82 "A Bill for an Act Relating  
to Hunting."

Introduced by: Senators Mizuguchi,  
Toyofuku, Machida and Holt.

No. 2547-82 "A Bill for an Act Making  
an Appropriation for a Women's  
Intercollegiate Softball Program  
at the University of Hawaii, Manoa."

Introduced by: Senator Mizuguchi.

No. 2548-82 "A Bill for an Act Relating  
to General Excise Tax of Services."

Introduced by: Senator Young.

No. 2549-82 "A Bill for an Act Relating  
to a Relocation Assistance Program  
for Special Needs Persons."

Introduced by: Senator Young.

No. 2550-82 "A Bill for an Act Relating  
to Firearms."

Introduced by: Senator Kawasaki.

No. 2551-82 "A Bill for an Act Relating  
to the Compensation of Public Officers  
and Employees Excluded from Collective  
Bargaining."

Introduced by: Senator Wong, by  
request.

No. 2552-82 "A Bill for an Act Relating  
to Public Employment."

Introduced by: Senator Wong, by  
request.

No. 2553-82 "A Bill for an Act Relating  
to the Compensation of Public Officers  
of the State and Making Appropriations  
Therefor."

Introduced by: Senator Wong, by  
request.

No. 2554-82 "A Bill for an Act Relating  
to the Compensation of Public Officers  
of the State and Making Appropriations  
Therefor."

Introduced by: Senator Wong, by  
request.

No. 2555-82 "A Bill for an Act Relating  
to the Establishment of a State Operated  
Lottery System."

Introduced by: Senator Wong.

No. 2556-82 "A Bill for an Act Relating  
to Time Sharing Plans."

Introduced by: Senators Abercrombie,  
Cayetano, Carpenter, Uwayne and  
Kawasaki.

No. 2557-82 "A Bill for an Act Relating  
to Driving under the Influence of  
Intoxicating Liquor."

Introduced by: Senator Abercrombie.

No. 2558-82 "A Bill for an Act Relating  
to Public Accountancy."

Introduced by: Senator Abercrombie.

No. 2559-82 "A Bill for an Act Relating  
to Inheritance and Estate Taxes."

Introduced by: Senator Abercrombie.

No. 2560-82 "A Bill for an Act Relating  
to Prosecuting Attorneys."

Introduced by: Senator Abercrombie.

No. 2561-82 "A Bill for an Act Relating  
to Horizontal Property Regimes."

Introduced by: Senator Abercrombie.

No. 2562-82 "A Bill for an Act Relating  
to Horizontal Property Regimes."

Introduced by: Senator Abercrombie.

No. 2563-82 "A Bill for an Act Relating  
to Horizontal Property Regimes."

Introduced by: Senator Abercrombie.

No. 2564-82 "A Bill for an Act Relating  
to Horizontal Property Regimes."

Introduced by: Senator Abercrombie.

No. 2565-82 "A Bill for an Act Relating  
to Nuisance Abatement."

Introduced by: Senator Carpenter,  
by request.

No. 2566-82 "A Bill for an Act Relating  
to Appeals by the State in Criminal  
Cases."

Introduced by: Senator Carpenter,  
by request.

No. 2567-82 "A Bill for an Act Relating  
to Protection of Person and Property."

Introduced by: Senator Carpenter,  
by request.

No. 2568-82 "A Bill for an Act Relating  
to Committed Persons, Furlough,  
Employment."

Introduced by: Senator Carpenter,  
by request.

No. 2569-82 "A Bill for an Act Relating  
to Intimidation of an Educational Worker."

Introduced by: Senator Carpenter,  
by request.

No. 2570-82 "A Bill for an Act Relating  
to the Penal Code."

Introduced by: Senator Carpenter,  
by request.

No. 2571-82 "A Bill for an Act Relating  
to Driver's License Revocation."

Introduced by: Senator Carpenter,  
by request.

No. 2572-82 "A Bill for an Act Relating  
to Child Abuse."

Introduced by: Senator Carpenter,  
by request.

No. 2573-82 "A Bill for an Act Relating  
to Arrests Generally."

Introduced by: Senator Carpenter,  
by request.

No. 2574-82 "A Bill for an Act Relating  
to the Hawaii Penal Code."

Introduced by: Senator Carpenter,  
by request.

No. 2575-82 "A Bill for an Act Relating  
to Financial Disclosure by Judges."

Introduced by: Senator Carpenter,  
by request.

No. 2576-82 "A Bill for an Act Relating  
to Constitutional Amendment."

Introduced by: Senator Carpenter,  
by request.

No. 2577-82 "A Bill for an Act Relating  
to Hawaii Rules of Evidence."

Introduced by: Senator Carpenter,  
by request.

No. 2578-82 "A Bill for an Act Relating  
to Penal Responsibility and Fitness  
to Proceed."

Introduced by: Senator Carpenter,  
by request.

No. 2579-82 "A Bill for an Act Relating  
to Child Witnesses in Criminal Proceedings."

Introduced by: Senator Carpenter,  
by request.

No. 2580-82 "A Bill for an Act Proposing  
an Amendment to Article VI, Section  
3, of the Hawaii Constitution to Allow  
for Voter Retention of Judges."

Introduced by: Senator Carpenter,  
by request.

No. 2581-82 "A Bill for an Act Proposing  
an Amendment to Article VI, Section  
6, of the Constitution of the State  
of Hawaii to Amend the Criminal Trial  
Assignments."

Introduced by: Senator Carpenter,  
by request.

No. 2582-82 "A Bill for an Act Proposing  
an Amendment to Article VI, Section  
3, of the Hawaii Constitution to Change  
the Appointment of Judges."

Introduced by: Senator Carpenter,  
by request.

No. 2583-82 "A Bill for an Act Relating  
to Disposition of Convicted Defendants."

Introduced by: Senator Carpenter,  
by request.

No. 2584-82 "A Bill for an Act Relating  
to Promoting Dangerous or Harmful  
Drugs."

Introduced by: Senator Carpenter,  
by request.

No. 2585-82 "A Bill for an Act Relating  
to Electronic Eavesdropping."

Introduced by: Senator Carpenter,  
by request.

No. 2586-82 "A Bill for an Act to Amend  
Section 708-833.5, Hawaii Revised  
Statutes, Relating to Shoplifting."

Introduced by: Senator Carpenter,  
by request.

No. 2587-82 "A Bill for an Act Relating  
to Disposition of Convicted Defendants."

Introduced by: Senator Carpenter,  
by request.

- No. 2588-82 "A Bill for an Act Relating to Penal Responsibility and Fitness to Proceed."  
Introduced by: Senator Carpenter, by request.
- No. 2589-82 "A Bill for an Act Relating to Statewide Traffic Code."  
Introduced by: Senators Yee, Kobayashi, O'Connor, Holt, Henderson, Soares, Kuroda, Machida, Ajifu, Young and Saiki.
- No. 2590-82 "A Bill for an Act Making an Appropriation for a Mini-Computer for the Investigation and Narcotics Control Section."  
Introduced by: Senator Cayetano.
- No. 2591-82 "A Bill for an Act Relating to Marriage."  
Introduced by: Senator Cayetano, by request.
- No. 2592-82 "A Bill for an Act Relating to Chapter 448E, Hawaii Revised Statutes."  
Introduced by: Senator Uwaine.
- No. 2593-82 "A Bill for an Act Relating to Temporary Disability Insurance."  
Introduced by: Senator Uwaine.
- No. 2594-82 "A Bill for an Act Relating to Home Care Services."  
Introduced by: Senator Uwaine.
- No. 2595-82 "A Bill for an Act Relating to Usury."  
Introduced by: Senator Uwaine.
- No. 2596-82 "A Bill for an Act Relating to Wages and Other Compensation."  
Introduced by: Senator Uwaine.
- No. 2597-82 "A Bill for an Act Relating to the Executive Compensation Commission."  
Introduced by: Senator Uwaine.
- No. 2598-82 "A Bill for an Act Relating to the Compensation of Public Officers."  
Introduced by: Senator Uwaine.
- No. 2599-82 "A Bill for an Act Relating to the Salaries of Certain State Officials."  
Introduced by: Senator Uwaine.
- No. 2600-82 "A Bill for an Act Relating to Collective Bargaining in Public Employment."  
Introduced by: Senator Uwaine.
- No. 2601-82 "A Bill for an Act Relating to the Department of Agriculture."  
Introduced by: Senator Uwaine.
- No. 2602-82 "A Bill for an Act Relating to Public Officers and Employees."  
Introduced by: Senator Uwaine.
- No. 2603-82 "A Bill for an Act Relating to Retirement."  
Introduced by: Senator Uwaine.
- No. 2604-82 "A Bill for an Act Relating to Public Officers and Employees."  
Introduced by: Senator Uwaine.
- No. 2605-82 "A Bill for an Act Relating to the Employees' Retirement System."  
Introduced by: Senator Uwaine.
- No. 2606-82 "A Bill for an Act Relating to the Compensation of Public Officers and Employees."  
Introduced by: Senator Uwaine.
- No. 2607-82 "A Bill for an Act Relating to Public Officers and Employees."  
Introduced by: Senator Uwaine.
- No. 2608-82 "A Bill for an Act Relating to the Penal Code."  
Introduced by: Senator Uwaine.
- No. 2609-82 "A Bill for an Act Relating to Residential Group Living."  
Introduced by: Senators Young and Holt.
- No. 2610-82 "A Bill for an Act Making an Appropriation to Fund the Rental Assistance Fund."  
Introduced by: Senator Young.
- No. 2611-82 "A Bill for an Act Relating to Public Utilities."  
Introduced by: Senator Soares.
- No. 2612-82 "A Bill for an Act Relating to Taxation."  
Introduced by: Senator Soares.
- No. 2613-82 "A Bill for an Act Relating to Interest."

- Introduced by: Senator Soares.
- No. 2614-82 "A Bill for an Act Relating to Special Purpose Revenue Bonds."
- Introduced by: Senator Soares.
- No. 2615-82 "A Bill for an Act Relating to Theft of Utility Services."
- Introduced by: Senator Soares.
- No. 2616-82 "A Bill for an Act Making an Appropriation for a Study of Chapter 269, Public Utilities Commission, Hawaii Revised Statutes."
- Introduced by: Senator Soares.
- No. 2617-82 "A Bill for an Act Relating to Theft of Utility Services."
- Introduced by: Senator Soares.
- No. 2618-82 "A Bill for an Act Relating to Income Taxation."
- Introduced by: Senator Toyofuku.
- No. 2619-82 "A Bill for an Act Relating to Passenger Restraint."
- Introduced by: Senator Saiki, by request.
- No. 2620-82 "A Bill for an Act Making an Appropriation for a Child Motor Vehicle Safety Program."
- Introduced by: Senator Saiki, by request.
- No. 2621-82 "A Bill for an Act Relating to a Wastewater Treatment Works Revolving Fund."
- Introduced by: Senators Carpenter, Young, Ajifu, Henderson, Soares, George, Kobayashi, Anderson and Saiki.
- No. 2622-82 "A Bill for an Act Relating to Disqualification of Judge."
- Introduced by: Senator Carpenter, by request.
- No. 2623-82 "A Bill for an Act Relating to Crime."
- Introduced by: Senator Carpenter.
- No. 2624-82 "A Bill for an Act Relating to the Grand Jury Counsel."
- Introduced by: Senator Carpenter.
- No. 2625-82 "A Bill for an Act Relating to Manganese Nodule Processing."
- Introduced by: Senators Carpenter, Ushijima and Henderson.
- No. 2626-82 "A Bill for an Act Relating to Involuntary Civil Commitment under Mental Health Law. Admissions for Nonemergency Treatment or Supervision."
- Introduced by: Senator Carpenter, by request.
- No. 2627-82 "A Bill for an Act Relating to Organized Crime. Chapter 842, Hawaii Revised Statutes."
- Introduced by: Senator Carpenter, by request.
- No. 2628-82 "A Bill for an Act Relating to Revocation of Probation or Suspension of Sentence."
- Introduced by: Senator Carpenter, by request.
- No. 2629-82 "A Bill for an Act Making an Appropriation for the Establishment and Operation of a Consumer Fraud Unit and Appellate Research and Legislative Staff for the Honolulu Prosecuting Attorney."
- Introduced by: Senator Carpenter, by request.
- No. 2630-82 "A Bill for an Act Relating to Jury Verdicts."
- Introduced by: Senator Carpenter, by request.
- No. 2631-82 "A Bill for an Act Relating to Family Court."
- Introduced by: Senator Carpenter, by request.
- No. 2632-82 "A Bill for an Act Relating to Uniform Controlled Substance."
- Introduced by: Senator Carpenter, by request.
- No. 2633-82 "A Bill for an Act Relating to Mortgages of Real Property or Fixtures."
- Introduced by: Senators Kuroda, Kobayashi, Carpenter, Ajifu, Uwayne and Yamasaki.
- No. 2634-82 "A Bill for an Act Relating to Intoxicating Liquor."
- Introduced by: Senator Henderson.
- No. 2635-82 "A Bill for an Act Relating to Intoxicating Liquor."

- Introduced by: Senator Henderson.
- No. 2636-82 "A Bill for an Act Relating to Informed Consent."
- Introduced by: Senator Cayetano.
- No. 2637-82 "A Bill for an Act Relating to Harbors."
- Introduced by: Senator George.
- No. 2638-82 "A Bill for an Act Relating to Sales and Transfer of Real Property Situated in Hazardous Areas."
- Introduced by: Senators George, Soares, Kobayashi, Henderson, Abercrombie, Carpenter, Saiki, Ajifu and Kuroda.
- No. 2639-82 "A Bill for an Act Relating to Special Purpose Revenue Bonds for Kahuku Hospital."
- Introduced by: Senators George, Anderson and Ajifu.
- No. 2640-82 "A Bill for an Act Making Appropriations for the Capital Improvement Projects for the Third Senatorial District."
- Introduced by: Senators George, Anderson and Ajifu.
- No. 2641-82 "A Bill for an Act Relating to Motor Vehicle Equipment."
- Introduced by: Senators George, Soares, Kobayashi, Henderson, Abercrombie, Carpenter, Saiki, Ajifu and Kuroda.
- No. 2642-82 "A Bill for an Act Relating to the Juvenile Justice Interagency Board."
- Introduced by: Senator Wong, by request.
- No. 2643-82 "A Bill for an Act Relating to the Public Employees Health Fund."
- Introduced by: Senator Wong, by request.
- No. 2644-82 "A Bill for an Act Relating to the Hawaii Housing Authority."
- Introduced by: Senator Wong, by request.
- No. 2645-82 "A Bill for an Act Relating to the Development of Geothermal Energy."
- Introduced by: Senator Wong, by request.
- No. 2646-82 "A Bill for an Act Relating to Patients' Compensation Fund."
- Introduced by: Senator Wong, by request.
- No. 2647-82 "A Bill for an Act Relating to Security Personnel of the Judiciary."
- Introduced by: Senator Wong, by request.
- No. 2648-82 "A Bill for an Act Relating to the Office of Hawaiian Affairs."
- Introduced by: Senator Wong, by request.
- No. 2649-82 "A Bill for an Act Relating to the Office of Hawaiian Affairs (OHA)."
- Introduced by: Senator Wong, by request.
- No. 2650-82 "A Bill for an Act Relating to the State Policy Concerning the Utilization of Volunteer Services."
- Introduced by: Senator Wong, by request.
- No. 2651-82 "A Bill for an Act Relating to the Aloha Tower Development Corporation."
- Introduced by: Senator Wong, by request.
- No. 2652-82 "A Bill for an Act Relating to the Office of Hawaiian Affairs (OHA)."
- Introduced by: Senator Wong, by request.
- No. 2653-82 "A Bill for an Act Relating to the Board of Land and Natural Resources."
- Introduced by: Senator Wong, by request.
- No. 2654-82 "A Bill for an Act Relating to the Establishment of the Hawaiian Education Commission."
- Introduced by: Senator Wong, by request.
- No. 2655-82 "A Bill for an Act Relating to the Attorney General."
- Introduced by: Senator Wong, by request.
- No. 2656-82 "A Bill for an Act Relating to the Hawaii State Planning Act."
- Introduced by: Senator Wong, by request.

No. 2657-82 "A Bill for an Act Relating to Kuleana Land."

Introduced by: Senator Wong, by request.

No. 2658-82 "A Bill for an Act Relating to Mohai Aloha Fee."

Introduced by: Senator Wong, by request.

No. 2659-82 "A Bill for an Act Relating to Quieting Title."

Introduced by: Senator Wong, by request.

No. 2660-82 "A Bill for an Act Relating to Limitation of Actions."

Introduced by: Senator Wong, by request.

No. 2661-82 "A Bill for an Act Relating to Public Lands."

Introduced by: Senator Wong, by request.

No. 2662-82 "A Bill for an Act Relating to Motor Vehicles."

Introduced by: Senator O'Connor.

No. 2663-82 "A Bill for an Act Relating to Traffic."

Introduced by: Senator O'Connor.

No. 2664-82 "A Bill for an Act Relating to Driving while Intoxicated."

Introduced by: Senator O'Connor.

No. 2665-82 "A Bill for an Act Relating to Speedy Criminal Proceedings."

Introduced by: Senator O'Connor.

No. 2666-82 "A Bill for an Act Proposing an Amendment to Article I, Section 12, of the Hawaii Constitution to Provide for the Denial of Bail to Protect the Public from Violent Crime."

Introduced by: Senator O'Connor.

No. 2667-82 "A Bill for an Act Relating to Search and Seizure."

Introduced by: Senator O'Connor.

No. 2668-82 "A Bill for an Act Relating to Bailable Offenses."

Introduced by: Senator O'Connor.

No. 2669-82 "A Bill for an Act Relating to Plea Bargaining."

Introduced by: Senator O'Connor.

No. 2670-82 "A Bill for an Act Relating to Detention of Persons Awaiting Court Proceedings."

Introduced by: Senator O'Connor.

No. 2671-82 "A Bill for an Act Relating to the Disposition of Convicted Persons."

Introduced by: Senator O'Connor.

No. 2672-82 "A Bill for an Act Relating to the Purpose of Sentencing."

Introduced by: Senator O'Connor.

No. 2673-82 "A Bill for an Act Relating to the Corrections Master Plan."

Introduced by: Senator O'Connor.

No. 2674-82 "A Bill for an Act Relating to Training, Education, Training and Work Programs for Committed Persons."

Introduced by: Senator O'Connor.

No. 2675-82 "A Bill for an Act Relating to Custody of Prisoners."

Introduced by: Senator O'Connor.

No. 2676-82 "A Bill for an Act Relating to Furlough of Committed Persons."

Introduced by: Senator O'Connor.

No. 2677-82 "A Bill for an Act Relating to Jurors."

Introduced by: Senator O'Connor.

No. 2678-82 "A Bill for an Act Relating to Preliminary Instruction of the Jury."

Introduced by: Senator O'Connor.

No. 2679-82 "A Bill for an Act Relating to Examination of Jurors."

Introduced by: Senator O'Connor.

No. 2680-82 "A Bill for an Act Relating to Pre-Trial Bargaining in Civil Cases."

Introduced by: Senator O'Connor.

No. 2681-82 "A Bill for an Act Relating to Motor Vehicles."

Introduced by: Senators Kobayashi, Carpenter, George and Soares.

No. 2682-82 "A Bill for an Act Relating to Mental Health."



Introduced by: Senators Carpenter, Cayetano, Abercrombie, Kawasaki, Young, Yamasaki, Ajifu, George, Kobayashi and Anderson.

No. 2683-82 "A Bill for an Act Relating to Equal Access to Justice."

Introduced by: Senators Carpenter, Kuroda and Henderson.

No. 2684-82 "A Bill for an Act Relating to Criminal Injuries Compensation."

Introduced by: Senators Carpenter, Young, Yamasaki, Soares, George, Kobayashi and Saiki.

No. 2685-82 "A Bill for an Act Relating to the Leasing of Ocean and Marine Resources."

Introduced by: Senators Carpenter, Ajifu, Soares, Saiki, George and Anderson.

No. 2686-82 "A Bill for an Act Relating to Elections."

Introduced by: Senator Carpenter.

No. 2687-82 "A Bill for an Act Relating to Deferred Acceptance of Guilty Plea."

Introduced by: Senator Carpenter.

No. 2688-82 "A Bill for an Act Relating to Election Registration for the Office of Hawaiian Affairs."

Introduced by: Senator Carpenter.

No. 2689-82 "A Bill for an Act Relating to Land Use."

Introduced by: Senator Ajifu.

No. 2690-82 "A Bill for an Act Relating to the Hawaii Cooperative Council."

Introduced by: Senator Ajifu.

No. 2691-82 "A Bill for an Act Relating to Cooperative Associations."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2692-82 "A Bill for an Act Relating to Insurance."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2693-82 "A Bill for an Act Relating to Trade Regulation and Practice."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2694-82 "A Bill for an Act Relating to the Uniform Commercial Code."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2695-82 "A Bill for an Act Relating to Consumer Cooperative Associations."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2696-82 "A Bill for an Act Relating to Consumer Cooperative Associations."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2697-82 "A Bill for an Act Relating to Consumer Cooperative Associations."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2698-82 "A Bill for an Act Relating to Consumer Cooperative Associations."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2699-82 "A Bill for an Act Relating to Taxation."

Introduced by: Senators Ajifu, Abercrombie, Cobb and Uwaine.

No. 2700-82 "A Bill for an Act Relating to Credit Unions."

Introduced by: Senators Ajifu and Cobb.

No. 2701-82 "A Bill for an Act Relating to Housing Cooperatives."

Introduced by: Senators Young, Ajifu and Holt.

No. 2702-82 "A Bill for an Act Relating to the Hawaii Cooperative Council."

Introduced by: Senators Ajifu, Abercrombie and Uwaine.

No. 2703-82 "A Bill for an Act Relating to Cooperatives."

Introduced by: Senators Ajifu, Abercrombie and Uwaine.

No. 2704-82 "A Bill for an Act Relating to Cooperative Associations."

Introduced by: Senators Ajifu, Abercrombie and Uwaine.

No. 2705-82 "A Bill for an Act Relating to Insurance."

Introduced by: Senators Ajifu,

Abercrombie and Uwaine.

No. 2706-82 "A Bill for an Act Relating to Trade Regulation and Practice."

Introduced by: Senators Ajifu, Abercrombie and Uwaine.

No. 2707-82 "A Bill for an Act Relating to the Uniform Commercial Code."

Introduced by: Senators Ajifu, Abercrombie and Uwaine.

No. 2708-82 "A Bill for an Act Relating to the Hawaii Convention Center Authority."

Introduced by: Senators Kuroda, Soares, Uwaine, Yee, Kobayashi, Ajifu, Campbell and Henderson.

No. 2709-82 "A Bill for an Act Relating to the Encouragement of Federally Certified Development Companies."

Introduced by: Senators Kuroda, Campbell, Soares, Henderson, Toyofuku, Kobayashi, Ajifu and Yamasaki.

No. 2710-82 "A Bill for an Act Relating to Hotels."

Introduced by: Senators Kuroda, Ajifu, Kobayashi, George, Yamasaki and Henderson.

No. 2750-82 "A Bill for an Act Relating to Culture and Arts."

Introduced by: Senator Wong.

No. 2751-82 "A Bill for an Act Making an Appropriation for Continuing Education for Women."

Introduced by: Senator Wong.

No. 2752-82 "A Bill for an Act Making an Appropriation for a Statewide Sexual Assault Prevention Program."

Introduced by: Senator Wong.

No. 2753-82 "A Bill for an Act Making an Appropriation for the Department of Education's Driver Education Program."

Introduced by: Senator Wong.

No. 2754-82 "A Bill for an Act Making an Appropriation for the Victim-Witness Counselor Programs."

Introduced by: Senator Wong.

No. 2755-82 "A Bill for an Act Making an Appropriation for a Feasibility Study Relating to Housing Programs of the Department of Hawaiian Home Lands."

Introduced by: Senator Wong.

No. 2756-82 "A Bill for an Act Relating to the 1984 Hawaii Statehood Silver Jubilee."

Introduced by: Senator Wong.

No. 2757-82 "A Bill for an Act Making an Appropriation to Provide for the Expenses of the 1984 Hawaii Statehood Silver Jubilee Committee."

Introduced by: Senator Wong.

No. 2758-82 "A Bill for an Act Relating to Expenditure of Public Money and Public Contracts."

Introduced by: Senator Wong.

No. 2759-82 "A Bill for an Act Relating to the Compensation of Public Officers and Employees and Making an Appropriation Therefor."

Introduced by: Senators Wong and Anderson.

No. 2760-82 "A Bill for an Act Relating to the Issuance of Special Purpose Revenue Bonds."

Introduced by: Senator Wong.

No. 2761-82 "A Bill for an Act Relating to Special Purpose Revenue Bonds for Health Care Facilities."

Introduced by: Senator Wong.

No. 2762-82 "A Bill for an Act Establishing a Foster Family for Aged or Disabled Adult Pilot Project."

Introduced by: Senator Wong.

On motion by Senator Kuroda, seconded by Senator Anderson and carried, the following bills were referred to print and were placed on the calendar for further consideration on Wednesday, February 17, 1982:

#### Senate Bills

No. 2711-82 "A Bill for an Act Relating to Agriculture."

Introduced by: Senators Wong and Yee.

No. 2712-82 "A Bill for an Act Relating to Agriculture."

Introduced by: Senators Wong and Yee.

No. 2713-82 "A Bill for an Act Relating to Land Use."

- Introduced by: Senators Wong and Yee.
- No. 2714-82 "A Bill for an Act Relating to Unfair and Deceptive Practices."
- Introduced by: Senators Wong and Yee.
- No. 2715-82 "A Bill for an Act Relating to Land Use."
- Introduced by: Senators Wong and Yee.
- No. 2716-82 "A Bill for an Act Relating to the Hawaii Economic Revitalization Opportunities Act."
- Introduced by: Senators Wong, by request, and Yee.
- No. 2717-82 "A Bill for an Act Relating to Economic Development."
- Introduced by: Senators Wong and Yee.
- No. 2718-82 "A Bill for an Act Relating to Energy."
- Introduced by: Senators Wong and Yee.
- No. 2719-82 "A Bill for an Act Relating to Planning."
- Introduced by: Senators Wong and Yee.
- No. 2720-82 "A Bill for an Act Relating to the Hawaii State Planning Act."
- Introduced by: Senators Wong and Yee.
- No. 2721-82 "A Bill for an Act Relating to the Environment."
- Introduced by: Senators Wong and Yee.
- No. 2722-82 "A Bill for an Act Relating to the Environment."
- Introduced by: Senators Wong and Yee.
- No. 2723-82 "A Bill for an Act Relating to Recreation."
- Introduced by: Senators Wong and Yee.
- No. 2724-82 "A Bill for an Act Relating to Catastrophic Illness."
- Introduced by: Senators Wong and Yee.
- No. 2725-82 "A Bill for an Act Relating to Health Insurance."
- Introduced by: Senators Wong and Yee.
- No. 2726-82 "A Bill for an Act Relating to Post Secondary Education."
- Introduced by: Senators Wong and Yee.
- No. 2727-82 "A Bill for an Act Relating to Higher Education."
- Introduced by: Senators Wong and Yee.
- No. 2728-82 "A Bill for an Act Relating to the University of Hawaii."
- Introduced by: Senators Wong and Yee.
- No. 2729-82 "A Bill for an Act Relating to Victims' Compensation."
- Introduced by: Senators Wong and Yee.
- No. 2730-82 "A Bill for an Act Relating to Circuit Courts."
- Introduced by: Senators Wong and Yee.
- No. 2731-82 "A Bill for an Act Relating to Chapter 329."
- Introduced by: Senators Wong and Yee.
- No. 2732-82 "A Bill for an Act Relating to Tort Actions."
- Introduced by: Senators Wong and Yee.
- No. 2733-82 "A Bill for an Act Relating to Chapter 706."
- Introduced by: Senators Wong and Yee.
- No. 2734-82 "A Bill for an Act Relating to Chapter 704."
- Introduced by: Senators Wong and Yee.
- No. 2735-82 "A Bill for an Act Relating to Chapter 11."
- Introduced by: Senators Wong and Yee.
- No. 2736-82 "A Bill for an Act Relating to Chapter 353."
- Introduced by: Senators Wong and Yee.

No. 2737-82 "A Bill for an Act Relating to Chapter 76."

Introduced by: Senators Wong and Yee.

No. 2738-82 "A Bill for an Act Relating to Chapter 124."

Introduced by: Senators Wong and Yee.

No. 2739-82 "A Bill for an Act Relating to Family Courts."

Introduced by: Senators Wong and Yee.

No. 2740-82 "A Bill for an Act Relating to the Criminal Justice System."

Introduced by: Senators Wong and Yee.

No. 2741-82 "A Bill for an Act Relating to the Hawaii Code of Military Justice."

Introduced by: Senators Wong and Yee.

No. 2742-82 "A Bill for an Act Relating to Public Safety."

Introduced by: Senators Wong and Yee.

No. 2743-82 "A Bill for an Act Relating to Dogs."

Introduced by: Senators Wong and Yee.

No. 2744-82 "A Bill for an Act Relating to Public Utilities."

Introduced by: Senators Wong and Yee.

No. 2745-82 "A Bill for an Act Relating to Transportation."

Introduced by: Senators Wong and Yee.

No. 2746-82 "A Bill for an Act Relating to Transportation Safety."

Introduced by: Senators Wong and Yee.

No. 2747-82 "A Bill for an Act Relating to Transportation."

Introduced by: Senators Wong and Yee.

No. 2748-82 "A Bill for an Act Relating to Vehicles."

Introduced by: Senators Wong and Yee.

No. 2749-82 "A Bill for an Act Relating to Vehicles."

Introduced by: Senators Wong and Yee.

#### STANDING COMMITTEE REPORT

Senator Young, for the Committee on Legislative Management, presented a report (Stand. Com. Rep. No. 16-82), informing the Senate that Senate Resolution Nos. 19 to 21, Standing Committee Report No. 15-82, and Senate Bill Nos. 2474-82 to 2531-82 have been printed and are ready for distribution.

On motion by Senator Young, seconded by Senator George and carried, the report of the Committee was adopted.

#### ORDER OF THE DAY

##### REFERRAL OF SENATE BILLS

The President made the following committee assignments of bills that were introduced on Friday, February 12, 1982:

Senate Bills                      Referred to:

No. 2474-82      Jointly to the Committee on Public Utilities and the Committee on Transportation

No. 2475-82      Committee on Judiciary

No. 2476-82      Committee on Government Operations and Intergovernmental Relations, then to the Committee on Ways and Means

No. 2477-82      Committee on Consumer Protection and Commerce

No. 2478-82      Committee on Judiciary

No. 2479-82      Jointly to the Committee on Human Resources and the Committee on Health, then to the Committee on Ways and Means

No. 2480-82      Committee on Judiciary

No. 2481-82      Committee on Health, then to the Committee on Judiciary

No. 2482-82      Committee on Human Resources, then to the Committee on Ways and Means

No. 2483-82      Committee on Human Resources, then to the Committee on Ways and Means

No. 2484-82      Committee on Housing and Hawaiian Homes

No. 2485-82      Committee on Housing and Hawaiian Homes

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| No. 2486-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2505-82 Committee on Judiciary   |
| No. 2487-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2506-82 Committee on Judiciary   |
| No. 2488-82 Committee on Housing and Hawaiian Homes   | No. 2507-82 Committee on Judiciary   |
| No. 2489-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2508-82 Committee on Judiciary   |
| No. 2490-82 Jointly to the Committee on Housing and Hawaiian Homes and the Committee on Government Operations and Intergovernmental Relations | No. 2509-82 Committee on Public Utilities  |
| No. 2491-82 Jointly to the Committee on Housing and Hawaiian Homes and the Committee on Government Operations and Intergovernmental Relations | No. 2510-82 Committee on Agriculture, then to the Committee on Ways and Means                    |
| No. 2492-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2511-82 Committee on Health, then to the Committee on Ways and Means                         |
| No. 2493-82 Jointly to the Committee on Housing and Hawaiian Homes and the Committee on Human Resources                                       | No. 2512-82 Committee on Public Utilities, then to the Committee on Ways and Means               |
| No. 2494-82 Committee on Housing and Hawaiian Homes   | No. 2513-82 Committee on Public Utilities, then to the Committee on Ways and Means               |
| No. 2495-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2514-82 Committee on Ways and Means  |
| No. 2496-82 Jointly to the Committee on Housing and Hawaiian Homes and the Committee on Consumer Protection and Commerce                      | No. 2515-82 Committee on Ways and Means  |
| No. 2497-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2516-82 Committee on Judiciary, then to the Committee on Ways and Means                      |
| No. 2498-82 Committee on Housing and Hawaiian Homes, then to the Committee on Ways and Means  | No. 2517-82 Committee on Health, then to the Committee on Ways and Means                         |
| No. 2499-82 Committee on Judiciary, then to the Committee on Ways and Means   | No. 2518-82 Committee on Health  |
| No. 2500-82 Committee on Judiciary  | No. 2519-82 Committee on Economic Development, then to the Committee on Ways and Means           |
| No. 2501-82 Committee on Judiciary  | No. 2520-82 Committee on Judiciary   |
| No. 2502-82 Committee on Judiciary  | No. 2521-82 Committee on Judiciary   |
| No. 2503-82 Committee on Health, then to the Committee on Consumer Protection and Commerce  | No. 2522-82 Committee on Ecology, Environment and Recreation, then to the Committee on Judiciary |
| No. 2504-82 Committee on Judiciary  | No. 2523-82 Committee on Human Resources, then to the Committee on Ways and Means                |
|   | No. 2524-82 Committee on Human Resources, then to the Committee on Ways and Means                |
|   | No. 2525-82 Committee on Human Resources   |
|   | No. 2526-82 Committee on Human Resources   |
|   | No. 2527-82 Committee on Human Resources   |
|   | No. 2528-82 Committee on Human Resources   |

No. 2529-82 Committee on Human Resources, then to the Committee on Ways and Means

No. 2530-82 Committee on Human Resources

No. 2531-82 Committee on Human Resources

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

The Senate reconvened at 11:50 o'clock a.m.

At this time, Senator Cayetano rose on a point of personal privilege and stated as follows:

"Mr. President, I'd like to take a few minutes to discuss with this body a report I read in one of yesterday's major daily newspapers. I believe it was The Advertiser which reported a Lou Harris poll which found that the American people favor President Reagan's 'New Federalism' by a 60-35 percent majority.

"Having recently concluded an analysis of the proposal, I find this report very alarming. Among other things, it reveals that the majority of the American people have not yet discovered the writing between the lines of Reagan's New Federalism.

"I have no influence over what happens in Alabama, in Texas or in New York. But as a member of this Senate, I believe I have a duty to speak out, to warn the people of Hawaii that the President's New Federalism is a Trojan Horse for reactionary philosophy, that states like Hawaii with no oil will be devastated if Congress adopts Reagan's proposal and that what Reagan is proposing is not a New Federalism but, as my colleague Senator Abercrombie told me the other day, a 'New Feudalism' which is not really new but a return to the days of Herbert Hoover.

"President Reagan's proposal is divided into two phases. The first phase involves a swap of three welfare programs between the states and the Federal Government. The states would take over the Aid to Families with Dependent Children and food stamp programs and the Federal Government would take over the Medicaid program. The second phase, which begins in 1987, would result in the 'turnback' of approximately 43 grant-in-aid programs from the Federal Government to the states by 1991. A federal trust fund would be set up to fund the states to keep these

programs going until 1991. The trust fund would be funded with revenue generated from the federal excise tax on alcohol, tobacco, telephone service, gasoline (2¢ per gallon) and the windfall profits tax on oil. Beginning FY '88, the federal trust fund payments to the states would decline by 25 percent each year with the states being free to impose its own excise taxes. By 1991, the trust fund would be terminated. In a nutshell, this is the Reagan New Federalism.

"I do not want to debate the national implications of this policy today. I think we could do that for days. Questions relating to national equity and issues, I leave for another time. Now that I understand Reagan's proposal, including the writing between the lines, I want to get down to the nitty gritty. Like the man in the television commercial says, 'Let's talk about Hawaii.'

"If we look to the New Federalism in FY '82 perspective, we find that Hawaii stands to lose an estimated \$30 to \$50 million in the first phase, the swap phase of Reagan's proposal. Preliminary estimates by federal officials indicate that the loss in the second phase of the proposal, the so-called 'turnback' of federal programs, is approximately \$133 million. If we add Hawaii's estimated total losses from both phases, we find that Hawaii stands to lose approximately \$163 million in FY '82 dollars under the New Federalism.

"How could we make that loss up under the President's program? Well, Hawaii, like all of the other states, will be able to take over the phased-out federal excise taxes on alcohol, tobacco, telephone, gasoline and the windfall profits tax.

"If we add up the federal excise tax on alcohol, tobacco, telephone and gasoline paid in Hawaii, we find, comparatively speaking, that these taxes amount to peanuts. In 1980, a paltry \$17 million in federal excise taxes was paid in Hawaii. Moreover, the estimated future growth of these taxes as a revenue generator is very low. For example, alcohol taxes, which amounted only to \$190,000 in 1980 in Hawaii, is expected to grow only 6.9 percent nationally between 1982 and 1986. Similarly, the tobacco tax is expected to grow only 7.7 percent. But even more distressing is that the federal excise tax on gasoline, which is the largest federal excise tax revenue generator in Hawaii, will actually decline by 6.5 percent in Hawaii between 1982 and 1986 because of energy conservation.

"Reducing all of this to 1982 dollars, I estimate that the loss of \$163 million

of federal funds for the swap and turnback phases of Reagan's proposal can be offset by only approximately \$11 million in excise taxes imposed on alcohol, tobacco, telephone and gasoline. Mr. President, this would leave the State of Hawaii holding the bag for approximately \$149 million in revenue to maintain the programs at FY '82 levels.

"In such an event, Hawaii has to either raise state taxes to keep the programs running at current levels or cut programs.

"I submit that we will be faced with deficits so huge that our people will suffer no matter which way we go.

"For example, if we increase the turned over excise taxes to make up the deficit, we face the horrendous prospect of increasing the excise tax on gasoline a whopping 30¢ per gallon, in addition to the present state and county excise taxes we already have on gasoline. The excise tax on distilled alcohol would be increased from \$10.50 per 100-proof gallon to a huge \$147.00 per gallon.

"I suppose we could make up the deficit by raising existing state taxes. But, how many are in favor of increasing the state excise tax on food and drugs from 4 percent to 14 percent? That is what it would take to make up the deficit.

"If we did these things our people would rise up in arms and throw all of us out of office. The nonviability of these courses of action is obvious.

"Of course, President Reagan's New Federalism entitles the states to take over the so-called windfall profits tax. Hawaii has one problem though -- we don't have any oil. We have a lot of wind. This business about the states taking over the windfall profits is one of the most cynical aspects of the New Federalism. Obviously, President Reagan did not give Hawaii much consideration when he dreamed up his New Federalism idea. As I said before, the windfall profits tax would be a boon to oil producing states and therein, maybe, lies its appeal. For Hawaii, there would be only a lot of 'wind' and then a fall.

"If President Reagan is sincere in his New Federalism, if he wants to be fair to all our states and in particular to states like Hawaii which do not have oil, then I suggest he amend his New Federalism by agreeing to giving Hawaii a fair share of the federal

income tax. In 1980, Hawaii residents paid \$244 million in federal personal income taxes. Even if Hawaii were to receive only one-half of that amount, we could tackle the challenge of Reagan's New Federalism. And I think most of us would be happy to do it.

"On this score, I believe the President should be reminded of his own admonition to his critics. To quote President Reagan: 'It's time to put up or shut up.'

"The grave threat that President Reagan's New Federalism poses to Hawaii transcends partisan lines. If Congress adopts it, Hawaii will be devastated. I suggest all of us, including those who leaped to praise the New Federalism without analysis, get together to make our concerns known to Congress. Otherwise, Mr. President, we had better start drilling for oil."

Senator Abercrombie also rose on a point of personal privilege in support of the previous speaker's comments and stated as follows:

"Mr. President, it's quite true, as Senator Cayetano has indicated, that I did characterize the so-called New Federalism as 'Old Feudalism.' I did so, unfortunately, only half in jest. The reason I indicated to Senator Cayetano as I did is that I felt that this was in fact a return ... this proposal for a New Federalism was in fact a return to what can only be termed a feudalistic basis ... that we would not in fact be sharing the cost not only for our national security, but for our domestic well-being on a nation-wide basis, but rather that an analysis of the New Federalism proposal shows quite clearly that those who already have the control of vast sums of money or in some instances, more important, the control of the business levers of this country would not only remain in that kind of control but their power would increase at the expense of working people throughout the country, and in my estimate would indicate to me that there would actually be a loss of security not only in terms of our foreign affairs, but in terms of our domestic well-being.

"I would indicate, for example, that if we were to return income taxes to the states, based solely on their proportionate input, we would find very rapidly a situation where people would not be able to support the services that are required for their people, for their simple shelter, for their well-being, for their health, for their welfare.

"We find a regime in Washington

now which finds it capable of expending tens of millions of dollars in El Salvador with the same kinds of people that got us into the same kinds of trouble in Vietnam and in other areas of the world that we have experienced in our recent history, let alone our far-distant history.

"We find that Chase Manhattan Bank has been bailed out by the Reagan Administration to the tune of between \$350 and \$400 million so that the Communist regime there which is now oppressing its people with martial law may remain solvent in the bankers' eyes.

"We find that the Soviet Union is a beneficiary of funds from this country in terms of foreign credits and in terms of subsidies which the American taxpayer has to bear, all in the name of national security.

"I bring this to your attention, Mr. President, for very simple reasons. In the area of my committee responsibility, I have been begging Mr. Weinberger and the Pentagon to assist me in making clear to the Congress that if impact-aid is denied to this state and other educational jurisdictions that the educational well-being of our children will suffer.

"While I have been begging these people to do it, they have chosen to ignore me entirely. Other state legislators and other congressional people have indicated their willingness to help, but the absence of any kind of understanding on the part of the National Administration in this area of impact-aid has required me to introduce a bill in this body for educational fees that will be paid by those who are utilizing our school system and are not paying for it.

"Does it occur to the National Administration and to those advocates of the New Feudalism that if you want to buy weapons and have not the people capable of administering, maintaining or utilizing those systems that you are, in fact, defeating yourself?

"I say then in conclusion, Mr. President, that the Old Feudalism that has come to us in the guise of New Federalism can only operate to the deleterious effect on our people, of withdrawing from us the progress that we have made in education, the progress that we have made in the health and welfare areas of our domestic life, and will, in fact, increase the insecurity that we have in relationship to our foreign affairs."

Senator Anderson added as follows:

"Mr. President, since I read the same article, same newspaper, saw the same television program, I think I should say a few words.

"I have a copy of the President's Federalism initiative basic framework and all the numbers attached between the swaps and turnbacks. I've been in contact with the OMB and my figures aren't \$148 million deficit. My figures don't show all these scary figures at this point and time.

"Last week, Mr. President, there were some people on television saying that Federalism wasn't going to work in the swap because thousands of people are going to migrate to Hawaii for the liberal welfare system that Hawaii has. Well, they're forgetting to say that Hawaii has had a liberal welfare system for many years now in comparison to other states because we built on top of the federal level, and we don't have a tremendous in-migration of welfare recipients coming to Hawaii now. We have trouble getting tourists here to pay their airplane tickets getting to Hawaii.

"I don't think we ought to get involved, Mr. President, at this point, with nitty gritty details. That's basically what we're doing. We're getting caught up in the details of the Federalism or the New Federalism, and I don't think anybody in this room or I don't think anybody in Congress, as yet, is aware of the details. It's the objective, Mr. President, that's important...home rule, self-determination.

"Hawaii's problems are unlike that of Detroit, Michigan. They're unlike that of New York and they're unlike that of California and, therefore, the programs implemented by people from 5,000 miles away might just not necessarily fit the people's problem in the State of Hawaii, Mr. President. That's all the man is saying.

"There are 40 or 42 federal programs that some experts 5,000 miles away have imposed on 50 states, tried to be somewhat equal, but they don't fit.

"When Congress legislates for the blacks because of the minority problem, the minority problem isn't one in Hawaii but we have to live by the laws that they pass.

"I think the discussions we've been having lately on Kahe where because the air in Detroit is a problem, the air in Los Angeles is a problem, that we the people in these islands have to



pay \$63 million more to conform to some federal bureaucratic EPA environmental problem that doesn't have any application to Hawaii whatsoever. It's the objective of home rule and self-determination.

"I wonder how long...let's say for the type of situation that might be a hypothetical case... let's say the HGEA, for example...I wonder how long the HGEA would allow the national organization to commit them to dollars, commit them to programs, commit them to policy as they apply to the Hawaiian Government Employees Association.

"How many of you would let a distant cousin, or a sister-in-law or a relative in California spend your money or commit your life in Hawaii or commit you to a way of life in Hawaii where they have no part and no knowledge? That's basically what's happening, Mr. President. Washington has gotten out of hand. Washington has gotten over-check, and I could quote most eloquently a Democrat governor who the President quoted, that Congress ought to be resolved in paying attention to arms limitation and not fixing potholes in our streets. So, give the man a chance.

"Let's get the details this summer. Let's find out if the objective is one that really applies to Hawaii. I've been a strong advocate of home rule for many, many years and it's kind of interesting that I sit here and read lately the arguments and the cries that you hear are somewhat like the Republicans in the '60s and in the '70s whenever something came forth from the Democratic party and the Republicans said that it won't work, it can't work.

"Whereas, if you had asked a year ago whether the union and Ford Motor Company could get together to resolve their problem to be more competitive, you would have said that it would never work, but it is working.

"Today's times are bringing people to the bargaining table to solve today's problems. What didn't work last year can work this year. What's not working this year, can work next year. But instead of being negative about it, instead of being so anti, let's use your strength and your talent, and let's sit down at the table and maybe, just maybe, one of those four Democratic congressmen might open his door and be a little more receptive to some New Federalism and maybe then he can contribute, and maybe then we'll

get some of the data back through our congressional delegation for which they get paid.

"Thank you."

Senator Cayetano then responded as follows:

"Mr. President, I really find the remarks by the previous speaker amazing for a man who has ambitions to lead this state for the next four years.

"Don't pay attention to the details? Come on, you had better pay attention to the details. You had better understand that on tobacco we only collected \$2,000 in federal taxes in Hawaii in 1980. You had better understand that on some of the other taxes, on alcohol, only \$180,000 was collected. I've got my figures, where's yours? I'm pretty comfortable with the analysis we did. That's the same thing we used, okay?"

The President, at this time, requested that Senator Cayetano address his remarks to the Chair.

Senator Cayetano continued as follows:

"Mr. President, in my remarks I said that if President Reagan modified his New Federalism to give Hawaii a solid revenue base with which to fund the turnback programs, then I accept the challenge.

"Mr. President, would you ask the Senator from the Third Senatorial District what we are going to do with respect to the windfall profits? We don't have any oil, unless the good Senator found some in Kailua that I don't know about.

"The windfall profits comprise a major part of the Reagan strategy for turning over the programs to the states. In the trust fund itself it comprises 60 percent of the fund...the trust fund that's supposed to carry us on to 1991.

"I'm not opposed to the New Federalism in the sense that it speaks for home rule. I'm for home rule. I will say, however, that on certain issues, state's rights and home rule were detrimental to the national interest and I speak of the civil rights movement. You know, you went down to Selma, Alabama and marched. If we had left those issues to the states, we would still be fighting Brown vs. the Board of Education, Supreme Court, 1954.

"I'm not opposed to the President's program, I'm just saying, 'Take Hawaii

into consideration.' Everything else seemingly does not take Hawaii into consideration. We here in this state had better pay attention to it because we're just a small part of Congress, a small part of the United States.

"Our people in sugar know. They cannot understand, for example, why the Washington Administration does not understand sugar's plight. I'll tell you why...because the people in New York, in Massachusetts, those states believe in the argument of getting cheaper sugar for their people, their consumers.

"We are such a small voice, a small fish in this big pond. We had better get our act together here at home and notify our congressional delegation as to what it is that we want to do.

"I don't know, maybe it's a matter of style, Mr. President, but I thought that my job here and the job of any Senator was to pay attention to the 'damn' details. It's the details that fill you. Thank you."

Senator Abercrombie further responded as follows:

"Mr. President, I have only one thing to add. I cannot wait until next summer. My budget is due before the Ways and Means Committee this Friday, and I hope every Senator and Representative will take into consideration some of the points that I have raised with respect to our education budget. I do not think that it is plausible nor possible for the National Administration to ignore the local jurisdiction, precisely those jurisdictions which the President trumpets most loudly when defending his New Feudalism proposal.

"I have seen the President's speech, the full content of his speech, in the New York Times. I have examined it very carefully and I do not see a recognition in there that this deliberative body can wait until summer to come to conclusions for the next fiscal year. Somewhere, somehow, Mr. President, we are going to be required to find between \$3 and \$4 million just in impact-aid alone in education. I do not want to sacrifice the educational lives not only of the children who reside in this state, but the children of those guests of ours who are in this state who are not domiciled in this state.

"I do not want to see a situation in which we have a division between those who serve in our military forces or who are here in some other federal capacity and those who live here.

This is the excruciating part about this abstraction called New Federalism. It fails to take into account the human context, the human dimension within which we must live. And that requires that we have a relationship in a community where people feel that they are getting a fair shake.

"People do not object so much to paying their taxes. They do not object so much to sharing their taxes with others when there is a clear and present recognition that failure to do so would result in a detrimental effect to everybody, for example, in terms of health care. Obviously, those of us who have suffered through a family member going through the terrors and horrors of cancer operations and so on, ultimately leading to death, that we recognize that individually very few families in this country are capable of taking care of that on their own. We have to work together on a national basis to address problems like this.

"I think the import of my commentary and that of the previous speaker is that unless we pay attention now, right now, while we are in session, to the financial details that are associated with this proposal, we will not only do a disservice to ourselves and to our community, but we will actually undermine the domestic security as well as the international security of this nation."

Senator Anderson then added as follows:

"Mr. President, very briefly, allow me to belabor this, but this Senate on the question of impact-aid has a policy. As I recall, we went into special session last year because the Governor overreacted, as did the Board of Education, as did the HSTA, on the amount of impact funds that weren't going to come to this state and, as you recall, the Governor wouldn't sign some 500 contracts.

"At that time the Senate, as I recall, said that that was a premature concern. It was a fear that was not based on any fact or figures but just assumptions, what so much of the conversation has been up to today, and this Senate was ready to meet in special session in late year to fund any cuts in impact-aid, and I haven't heard the President or anyone else yet say otherwise.

"It's kind of difficult to understand that with a state which has a \$213 million anticipated surplus, that if there is a \$2 million cut or \$3 million cut we wouldn't fill that gap to take care of our own problem and our own children.

"It's somewhat hypocritical and contradictory to not be supportive of the Federal Government, regardless of who's in charge, with a trillion dollar deficit and we have a \$213 million surplus and we won't come to the aid of a \$2 or \$3 million cut.

"I would like to stand here and say for one Senator, that my commitment, the commitment that we made last year, Senator Abercrombie, chairman of Education, that any legitimate problem in the way of education we should fill that gap and make sure our children, because we can afford it, are given the level of education that we so decide. Thank you."

Senator Cayetano answered as follows:

"Mr. President, just one last rejoinder.

"I've heard it time and time again that we have this huge surplus. I've heard it from the people who lobby and who come down here distributing flyers talking about this great surplus. I've heard legislators, who should know better, talk about this huge surplus.

"Mr. President, my analysis of the state's fiscal condition, which I hope to share with this body perhaps next week and which I might add nobody else is doing...someone should do it...indicates that if we give the kinds of tax cuts or tax credits, whether it

be eliminating the general excise tax on food and drugs or giving the Governor's tax credit of \$50, that by 1984, we will be running in a deficit position.

"I think it is incumbent upon us to look beyond this two hundred million dollar surplus. Let's be a little long-range about this thing. I realize that in our arena sometimes the short-term thing is the convenient thing to do for political reasons, but if we do things taking into consideration the long-run, maybe we'll all sleep a little better."

Senator Carpenter, at this time, rose on a point of personal privilege and stated:

"Mr. President, speaking as one who's not running for office this year, whatever the form the New Federalism takes, whether it's Old Feudalism or whatever, and the exercises that this Legislature will be going through here in making decisions prior to, perhaps, some of the more finite details coming to us, I just hope that it doesn't turn out to be the same old 'futile-ism.'"

#### ADJOURNMENT

At 12:20 o'clock p.m., on motion by Senator Kuroda, seconded by Senator Anderson and carried, the Senate adjourned until 11:30 o'clock a.m., Wednesday, February 17, 1982.