

FORTY-SIXTH DAY

Friday, March 29, 1985

The Senate of the Thirteenth Legislature of the State of Hawaii, Regular Session of 1985, convened at 11:45 o'clock a.m., with the President in the Chair.

The Divine Blessing was invoked by Mr. Jerome Weaver, Deacon, St. Anthony's Church, Kailua, after which the Roll was called showing all Senators present with the exception of Senator Young who was excused.

The Chair announced that he had read and approved the Journal of the Forty-Fifth Day.

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

Senator Toguchi rose and gave the following introduction:

"Mr. President and members of the Senate, as a former teacher and presently the chairman of your Senate Education Committee, it is my honor and pleasure this morning to congratulate two outstanding and dedicated teachers who were selected as the respective District Teachers of the Year.

"Mr. President, the State of Hawaii is committed to assuring the highest quality of education for our youth. One of the most important ingredients for creating this quality is the teacher. Mr. President, the Hawaii State Department of Education since the early 1970's has recognized island teachers with the Outstanding Teacher of the Year awards. Hawaii is fortunate in having many good teachers, and each year the school districts select a District Teacher of the Year. This year, I have the honor of introducing two of those—one from the Central District and the other from the Windward District. I'd like to apologize to the members, due to conflicts in their schedules, the Leeward honoree and also the Honolulu winner were not able to be with us this morning.

"Mr. President, first I'd like to introduce to this honorable body Mrs. Marjorie Woodrum who has served the Hawaii public school system for over eighteen years and has spent the last fifteen years at Aiea High School, teaching French, Spanish and Hawaiian language. Mrs. Woodrum has been an outstanding teacher at Aiea. We have heard many good things and she is very deserving of that award that was given to her by the Department of Education.

"Mr. President, the second honoree, this morning, with us is from the Windward District. She is Mrs. Geraldine Meade who has served the Hawaii public school system

for thirteen years and spent all thirteen years at Kahuku High School, giving her time to teach career guidance and coordinating student activities. Mrs. Meade, I think, has a reason to stay at Kahuku. Although Kahuku has been in the news lately, I want to assure members here that there are many good things happening at Kahuku and one of the reasons is Mrs. Meade.

"The Hawaii State Teacher of the Year was selected from the seven districts and that individual was Mrs. Margaret Fuchino and she is from Waimea Elementary and Intermediate School from the Big Island."

Senate Certificates were presented to Mrs. Marjorie Woodrum and Mrs. Geraldine Meade by Senators Kuroda and Hagino and leis were presented by Senators Mizuguchi and Hee. Senate Certificates will be sent to the other winners in the district via the Senators who represent those districts.

Senator Kuroda introduced some members of Cub Pack 147 from Alva Scott Elementary School in Aiea: Dean Uyeno, Kit Itokazu, Blaisdel Ayau and Robert Ayau. Accompanying them were Den Leader, Mrs. Barbara Ayau, and Den Mother, Mrs. June Uyeno, and his assistant Abraham Raguindin.

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

The Senate reconvened at 12:03 o'clock p.m.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 261 to 274) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 261, informing the Senate that on March 28, 1985, he signed the following bills into law:

H.B. No. 269 as Act 2, entitled: "RELATING TO HOUSING LOAN AND MORTGAGE PROGRAMS"; and
H.B. No. 271 as Act 3, entitled: "RELATING TO HOUSING,"

was placed on file.

Gov. Msg. No. 262, submitting for consideration and confirmation to the Board of Barbers, the nominations of Christobal J. Quintana and David Boback, terms to expire December 31, 1988, was referred to the Committee on Consumer Protection and Commerce.

Gov. Msg. No. 263, submitting for consideration and confirmation to the Contractors License Board, the nominations of Japo I. Yokoyama and Edward S. Kusuda, terms to expire December 31, 1988, was referred to the Committee on Consumer Protection and Commerce.

Gov. Msg. No. 264, submitting for consideration and confirmation to the Board of Cosmetology, the nominations of Frances Y. M. Oh and Peter J. Jones, terms to expire December 31, 1988, was referred to the Committee on Consumer Protection and Commerce.

Gov. Msg. No. 265, submitting for consideration and confirmation to the Board of Registration of Professional Engineers, Architects, Land Surveyors and Landscape Architects, the nomination of George T. Okamoto, term to expire December 31, 1988, was referred to the Committee on Consumer Protection and Commerce.

Gov. Msg. No. 266, submitting for consideration and confirmation to the Board of Examiners in Optometry, the nomination of Kevin Doyle, term to expire December 31, 1988, was referred to the Committee on Consumer Protection and Commerce.

Gov. Msg. No. 267, submitting for consideration and confirmation to the Board of Osteopathic Examiners, the nominations of Dudley G. Akama and Robert L. Simich, D.O., terms to expire December 31, 1988, was referred to the Committee on Consumer Protection and Commerce.

Gov. Msg. No. 268, submitting for consideration and confirmation to the Land Use Commission, the nomination of Teofilo Tacbian, term to expire December 31, 1988, was referred to the Committee on Economic Development.

Gov. Msg. No. 269, submitting for consideration and confirmation to the Public Utilities Commission, the nomination of Hideto Kono, term to expire December 31, 1989, was referred to the Committee on Economic Development.

Gov. Msg. No. 270, submitting for consideration and confirmation to the King Kamehameha Celebration Commission, the nominations of Gladys E. Rodenhurst, William E. K. Allen, Jr. and Winona L. Resents, terms to expire December 31, 1988, was referred to the Committee on Education.

Gov. Msg. No. 271, submitting for consideration and confirmation to the Library Advisory Commission, City and County of Honolulu, the nominations of Robert N. Kumasaka, Linda Mae Victor and Nancy E. Brown, terms to expire December 31, 1988, was referred to the Committee on

Education.

Gov. Msg. No. 272, submitting for consideration and confirmation to the Drug Product Selection Board, the nominations of the following:

Amelia R. Jacang, M.D., term to expire December 31, 1987 and
Leslie Bailey, Ph.D., term to expire December 31, 1988,

was referred to the Committee on Health.

Gov. Msg. No. 273, submitting for consideration and confirmation to the Statewide Health Coordinating Council, the nominations of the following:

Peter A. Sybinsky, Ph.D., term to expire December 31, 1988;
Joji Nouchi, term to expire December 31, 1986;
Jonathan S. Raymond, Ph.D., term to expire December 31, 1986;
Joyce E. Allosada, term to expire December 31, 1987;
David H. Luehr, term to expire December 31, 1987;
Rosalie Kasaba, term to expire December 31, 1986;
Ronald T. Hayashi, term to expire December 31, 1986;
Leland M. Yagi, term to expire December 31, 1986;
Katherine G. Takehiro, term to expire December 31, 1987;
Harold S. Y. Hee, term to expire December 31, 1988;
Masao Watanabe, term to expire December 31, 1988;
Richard Higashi, term to expire December 31, 1987;
Minoru Inaba, term to expire December 31, 1988;
Patrick R. Cullen, term to expire December 31, 1988;
Albert P. Moniz, term to expire December 31, 1988;
Eugene Yamamoto, term to expire December 31, 1988;
Kenneth A. Haling, M.D., term to expire December 31, 1988; and
Cullen T. Hayashida, term to expire December 31, 1988,

was referred to the Committee on Health.

Gov. Msg. No. 274, submitting for consideration and confirmation to the Commission on the Handicapped, the nominations of the following:

Kristin C. Mills, term to expire December 31, 1988;
Eloise A. Wetherall, term to expire December 31, 1985; and
Frederick W. Hoogs, term to expire December 31, 1988,

was referred to the Committee on Human Services.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 331 to 343), returning Senate Bills which passed Third Reading in the House of Representatives on March 28, 1985, were read by the Clerk and were placed on file:

Hse. Com. No. 331, returning S.B. No. 19, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXPORT OF FRUITS, VEGETABLES, NUTS, AND COFFEE";

Hse. Com. No. 332, returning S.B. No. 34, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVATE ACTIVITY BONDS";

Hse. Com. No. 333, returning S.B. No. 62, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH AND SUBSTANCE ABUSE";

Hse. Com. No. 334, returning S.B. No. 72, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRUG ABUSE AND CONTROLLED SUBSTANCES";

Hse. Com. No. 335, returning S.B. No. 191, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF DENTAL EXAMINERS";

Hse. Com. No. 336, returning S.B. No. 110, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HOUSING";

Hse. Com. No. 337, returning S.B. No. 193, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF DENTAL EXAMINERS";

Hse. Com. No. 338, returning S.B. No. 194, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DENTAL HYGIENISTS";

Hse. Com. No. 339, returning S.B. No. 195, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF REGISTRATION OF PROFESSIONAL ENGINEERS, ARCHITECTS, SURVEYORS, AND LANDSCAPE ARCHITECTS";

Hse. Com. No. 340, returning S.B. No. 218, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEARING AID DEALERS AND FITTERS";

Hse. Com. No. 341, returning S.B. No. 479, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ADMINISTRATION OF TAXATION";

Hse. Com. No. 342, returning S.B. No.

1240, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD ABUSE"; and

Hse. Com. No. 343, returning S.B. No. 1318, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DERELICT VEHICLE."

SENATE CONCURRENT RESOLUTIONS

The following concurrent resolutions (S.C.R. Nos. 61 to 62) were read by the Clerk and were disposed of as follows:

S.C.R. No. 61, entitled: "SENATE CONCURRENT RESOLUTION REQUESTING A RECOMMENDATION ON THE COMPOSITION OF AN ALTERED BOARD OF DENTAL EXAMINERS TO INCLUDE A MORE PROPORTIONATE REPRESENTATION OF DENTAL HYGIENISTS," was offered by Senators Cobb, Hee, Cayetano, Chang, Aki, B. Kobayashi, Matsuura and McMurdo.

By unanimous consent, action on S.C.R. No. 61 was deferred until Monday, April 1, 1985.

S.C.R. No. 62, entitled: "SENATE CONCURRENT RESOLUTION SUPPORTING THE LAW OF THE SEA INSTITUTE," was offered by Senators Holt, Toguchi, Fernandes Salling, Cobb, Cayetano, Kuroda, Hagino, Solomon, Kawasaki, Soares and Mizuguchi.

By unanimous consent, action on S.C.R. No. 62 was deferred until Monday, April 1, 1985.

SENATE RESOLUTIONS

The following resolutions (S.R. Nos. 76 to 81) were read by the Clerk and were disposed of as follows:

S.R. No. 76, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF PERSONNEL SERVICES TO STUDY EMPLOYEE INNOVATION, PERFORMANCE, AND PRODUCTIVITY IN THE PUBLIC SERVICE," was offered by Senators Machida, Hagino, Matsuura, George, A. Kobayashi, Kuroda, Hee, Yamasaki, Cobb, McMurdo, B. Kobayashi, Toguchi, Holt, Chang and Mizuguchi.

By unanimous consent, action on S.R. No. 76 was deferred until Monday, April 1, 1985.

S.R. No. 77, entitled: "SENATE RESOLUTION REQUESTING THE DEPARTMENT OF PERSONNEL SERVICES TO STUDY EMPLOYEE 'BURNOUT' IN THE PUBLIC SERVICES," was offered by Senators Machida, Hagino, Matsuura, A. Kobayashi, Kuroda, Hee, Yamasaki, McMurdo, Cobb, B. Kobayashi, Chang, Toguchi, Holt and Mizuguchi.

By unanimous consent, action on S.R. No. 77 was deferred until Monday, April 1, 1985.

S.R. No. 78, entitled: "SENATE RESOLUTION REQUESTING A RECOMMENDATION ON THE COMPOSITION OF AN ALTERED BOARD OF DENTAL EXAMINERS TO INCLUDE A MORE PROPORTIONATE REPRESENTATION OF DENTAL HYGIENISTS," was offered by Senators Cobb, B. Kobayashi, Cayetano, Hee, Chang, Aki, Matsuura, Kuroda and McMurdo.

By unanimous consent, action on S.R. No. 78 was deferred until Monday, April 1, 1985.

S.R. No. 79, entitled: "SENATE RESOLUTION REQUESTING THE SENATE COMMITTEE ON LABOR AND EMPLOYMENT TO CONDUCT A SURVEY DURING THE 1985 LEGISLATIVE INTERIM OF PRIVATE BUSINESSES THAT DO NOT PROVIDE REST PERIODS TO THEIR EMPLOYEES," was offered by Senators Machida, Yamasaki, Holt, Mizuguchi, A. Kobayashi, George, Fernandes Salling, Kuroda, Hagino, Matsuura, Chang, McMurdo, Abercrombie, B. Kobayashi, Cayetano, Soares, Henderson and Toguchi.

By unanimous consent, action on S.R. No. 79 was deferred until Monday, April 1, 1985.

S.R. No. 80, entitled: "SENATE RESOLUTION SUPPORTING THE LAW OF THE SEA INSTITUTE," was offered by Senators Holt, Toguchi, Fernandes Salling, Cobb, Cayetano, Kuroda, Hagino, Solomon, Kawasaki, Soares and Mizuguchi.

By unanimous consent, action on S.R. No. 80 was deferred until Monday, April 1, 1985.

S.R. No. 81, entitled: "SENATE RESOLUTION URGING THE BOARD OF REGENTS TO FULLY AND CAREFULLY CONSIDER THE IMPACT OF IMPLEMENTING A TUITION INCREASE BASED SOLELY ON AN ARBITRARY PERCENTAGE OF EDUCATIONAL COSTS BASIS," was offered by Senators Holt, Toguchi, Fernandes Salling, Cayetano, Kuroda, Hagino, Solomon, Kawasaki, Soares and Mizuguchi.

By unanimous consent, action on S.R. No. 81 was deferred until Monday, April 1, 1985.

STANDING COMMITTEE REPORTS

Senator Young, for the Committee on Housing and Community Development, presented a report (Stand. Com. Rep. No. 819) recommending that House Bill No. 921, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Young, seconded by

Senator Hee and carried, the report of the Committee was adopted and H.B. No. 921, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 820) recommending that House Bill No. 1257, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 1257, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 821) recommending that House Bill No. 355, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 355, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 822) recommending that House Bill No. 232, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 232, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BOARD OF MASSAGE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 823) recommending that House Bill No. 352, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 352, S.D. 1, entitled: "A BILL FOR AN ACT

RELATING TO SOLICITATION OF FUNDS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 824) recommending that Senate Resolution No. 20, as amended in S.D. 1, be adopted.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and S.R. No. 20, S.D. 1, entitled: "REQUESTING THE CHAMBER OF COMMERCE OF HAWAII TO DEVELOP WAYS AND MEANS OF IMPLEMENTING THE HAWAII BUSINESS CORPORATION ACT," was adopted.

Senator Kuroda, for the Committee on Tourism and Recreation, presented a report (Stand. Com. Rep. No. 825) recommending that House Bill No. 181, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kuroda, seconded by Senator McMurdo and carried, the report of the Committee was adopted and H.B. No. 181, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC PRESERVATION," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 826) recommending that House Bill No. 104, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 104, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NAMES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

ORDER OF THE DAY

THIRD READING

House Bill No. 421:

By unanimous consent, action on H.B. No. 421, entitled: "A BILL FOR AN ACT RELATING TO MEDICINE," was deferred until Monday, April 1, 1985.

RE-REFERRAL OF A HOUSE BILL

The President made the following re-referral of a House bill:

House Bill	Referred to:
No. 96	Committee on

Government Operations

The Chair then made the following announcement:

"Again, just a reminder from the Chair that we'd like to ask all of the respective chairmen to have their Standing Committee Reports into the Clerk's office by 3:30 p.m., so that we can put them on a supplemental order of the day. And again, the appeal is for legislators to remain in the building for the purpose of signatures."

At 12:08 o'clock p.m., on motion by Senator Cobb, seconded by Senator Soares and carried, the Senate stood in recess until 5:00 o'clock p.m.

AFTERNOON SESSION

The Senate reconvened at 5:40 o'clock p.m.

MESSAGES FROM THE GOVERNOR

The following messages from the Governor (Gov. Msg. Nos. 275 and 276) were read by the Clerk and were disposed of as follows:

Gov. Msg. No. 275, informing the Senate of the withdrawal of the nomination of Allison H. Lynde to the Criminal Injuries Compensation Commission, term to expire December 31, 1988, under Gov. Msg. No. 259, was placed on file.

In compliance with Gov. Msg. No. 275, the nomination listed under Gov. Msg. No. 259 was returned.

Gov. Msg. No. 276, informing the Senate of the withdrawal of the nominations of the following:

Kazu Hayashida, term to expire December 31, 1985;
 Melvin Koizumi, term to expire December 31, 1986;
 Susumu Ono, term to expire December 31, 1986;
 L. Stephen Lau, Ph.D., term to expire December 31, 1985;
 Jack K. Suwa, term to expire December 31, 1986;
 James W. Morrow, term to expire December 31, 1987;
 Samuel S. H. Lee, term to expire December 31, 1987;
 James Kumagai, Ph.D., term to expire December 31, 1987;
 James J. Nakatani, term to expire December 31, 1985; and
 Jacqueline Parnell, term to expire December 31, 1987,

to the Technical Advisory Committee on Pesticides under Gov. Msg. No. 132, was placed on file.

In compliance with Gov. Msg. No. 276, the nominations listed under Gov. Msg. No. 132 were returned.

HOUSE COMMUNICATIONS

The following communications from the House (Hse. Com. Nos. 344 to 349), returning Senate Bills, as amended, which passed Third Reading in the House of Representatives on March 29, 1985, were read by the Clerk and were placed on file, and by unanimous consent, action on said bills was deferred to Thursday, April 4, 1985:

Hse. Com. No. 344, returning S.B. No. 35, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GENERAL OBLIGATION BONDS OF THE STATE OF HAWAII";

Hse. Com. No. 345, returning S.B. No. 93, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FISH CATCH REPORTS";

Hse. Com. No. 346, returning S.B. No. 132, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LIGHTS FOR MOTOR VEHICLES, MOTORCYCLES, MOTOR SCOOTERS, MOTORIZED BICYCLES";

Hse. Com. No. 347, returning S.B. No. 189, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TRAVEL AGENCIES";

Hse. Com. No. 348, returning S.B. No. 1224, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FISHING"; and

Hse. Com. No. 349, returning S.B. No. 1365, S.D. 1, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATION OF APPLICANTS FOR HAWAII DRIVER'S LICENSE."

STANDING COMMITTEE REPORTS

Senator B. Kobayashi, for the Committee on Health, presented a report (Stand. Com. Rep. No. 827) recommending that House Bill No. 1231, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, the report of the Committee was adopted and H.B. No. 1231, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ENVIRONMENTAL QUALITY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator B. Kobayashi, for the Committee on Health, presented a report (Stand. Com. Rep. No. 828) recommending that House Bill No. 465, as amended in S.D. 1, pass Second

Reading and be placed on the calendar for Third Reading.

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, the report of the Committee was adopted and H.B. No. 465, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LITTER CONTROL," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator B. Kobayashi, for the Committee on Health, presented a report (Stand. Com. Rep. No. 829) recommending that House Bill No. 488, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, the report of the Committee was adopted and H.B. No. 488, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Kuroda, for the majority of the Committee on Tourism and Recreation, presented a report (Stand. Com. Rep. No. 830) recommending that House Bill No. 479, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kuroda, seconded by Senator McMurdo and carried, the report of the majority of the Committee was adopted and H.B. No. 479, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE FISH," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 831) recommending that House Bill No. 502, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 502, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE RESIDENTIAL LANDLORD-TENANT CODE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 832) recommending that House Bill No. 236, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 236, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator B. Kobayashi, for the Committee on Health, presented a report (Stand. Com. Rep. No. 833) recommending that House Bill No. 160, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator B. Kobayashi, seconded by Senator Machida and carried, the report of the Committee was adopted and H.B. No. 160, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HANSEN'S DISEASE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Solomon, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 834) recommending that House Bill No. 1243, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Solomon, seconded by Senator Hagino and carried, the report of the Committee was adopted and H.B. No. 1243, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO AQUACULTURE COOPERATIVE ASSOCIATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Solomon, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 835) recommending that House Bill No. 112 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Solomon, seconded by Senator Hagino and carried, the report of the Committee was adopted and H.B. No. 112, entitled: "A BILL FOR AN ACT RELATING TO CHICKEN EGGS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Solomon, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 836) recommending that House Bill No. 492, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Solomon, seconded by Senator Hagino and carried, the report of the Committee was adopted and H.B. No. 492, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BEES," passed

Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Solomon, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 837) recommending that House Bill No. 111, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Solomon, seconded by Senator Hagino and carried, the report of the Committee was adopted and H.B. No. 111, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PLANT AND NON-DOMESTIC ANIMAL QUARANTINE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Machida, for the Committee on Labor and Employment, presented a report (Stand. Com. Rep. No. 838) recommending that House Bill No. 176, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Machida, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 176, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSION ON MANPOWER AND FULL EMPLOYMENT," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Machida, for the Committee on Labor and Employment, presented a report (Stand. Com. Rep. No. 839) recommending that House Bill No. 674, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Machida, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 674, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REEMPLOYMENT AND RECALL LISTS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Machida, for the Committee on Labor and Employment, presented a report (Stand. Com. Rep. No. 840) recommending that House Bill No. 522, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Machida, seconded by Senator Abercrombie and carried, the report of the Committee was adopted and H.B. No. 522, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MANDATORY RETIREMENT," passed Second Reading and was placed on the

calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 841) recommending that House Bill No. 989, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the Committee was adopted and H.B. No. 989, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC LANDS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 842) recommending that House Bill No. 188, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the Committee was adopted and H.B. No. 188, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FISHING," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 843) recommending that House Bill No. 195, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the Committee was adopted and H.B. No. 195, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENFORCEMENT PROGRAM OF THE DEPARTMENT OF LAND AND NATURAL RESOURCES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the majority of the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 844) recommending that House Bill No. 1547, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the majority of the Committee was adopted and H.B. No. 1547, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO FISHING REGULATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the Committee on

Economic Development, presented a report (Stand. Com. Rep. No. 845) recommending that House Bill No. 1054, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the Committee was adopted and H.B. No. 1054, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC UTILITIES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 846) recommending that House Bill No. 223, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 223, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE UNIFORM SECURITIES ACT (MODIFIED)," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 847) recommending that House Bill No. 231, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 231, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE INDUSTRY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 848) recommending that House Bill No. 353, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 353, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO LANDLORD AND TENANT," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No.

849) recommending that House Bill No. 1270, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 1270, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 850) recommending that House Bill No. 129, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 850 and H.B. No. 129, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE BOARD OF EDUCATION," was deferred until Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 851) recommending that House Bill No. 1386, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 1386, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 852) recommending that House Bill No. 33, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 33, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO SENTENCING," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Yamasaki, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 853) recommending that House Bill No. 463, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 853 and H.B. No. 463, H.D. 2, S.D. 2, was deferred to the end of the calendar.

Senator Yamasaki, for the Committee on

Ways and Means, presented a report (Stand. Com. Rep. No. 854) recommending that House Bill No. 1, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, the report of the Committee was adopted and H.B. 1, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE STATE BUDGET," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 855) recommending that House Bill No. 404, H.D. 2, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 855 and H.B. No. 404, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 856) recommending that House Bill No. 99, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 856 and H.B. No. 99, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 857) recommending that House Bill No. 60, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 857 and H.B. No. 60, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR SUGAR RESEARCH AND DEVELOPMENT," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 858) recommending that House Bill No. 184, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 858 and H.B. No. 184, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE AQUACULTURE ADVISORY COUNCIL," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 859) recommending that House Bill No. 39, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 859 and H.B. No. 39, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO BUSINESS REGISTRATION," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 860) recommending that House Bill No. 1056, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 860 and H.B. No. 1056, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATIONS OF INSURERS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 861) recommending that House Bill No. 1059, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 861 and H.B. No. 1059, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR A REVIEW OF HAWAII'S INSURANCE LAWS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 862) recommending that House Bill No. 1271, H.D. 2, S.D. 1 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 862 and H.B. No. 1271, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 863) recommending that House Bill No. 1275, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 863 and H.B. No. 1275, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC UTILITIES COMMISSION," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 864) recommending that House Bill No. 1246, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 864 and H.B. No. 1246, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on

Ways and Means, presented a report (Stand. Com. Rep. No. 865) recommending that House Bill No. 614, H.D. 1, S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 865 and H.B. No. 614, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC OFFICERS AND EMPLOYEES," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 866) recommending that House Bill No. 1131, H.D. 2, S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 866 and H.B. No. 1131, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHAPTER 42," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 867) recommending that House Bill No. 166, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 867 and H.B. No. 166, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 868) recommending that House Bill No. 263, H.D. 1, S.D. 1 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 868 and H.B. No. 263, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RETENTION OF STATE TAX REFUNDS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 869) recommending that House Bill No. 354, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 869 and H.B. No. 354, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE JUDICIARY," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 870) recommending that House Bill No. 208, H.D. 2, S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 870 and H.B. No. 208, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 871) recommending that House Bill No. 209, H.D. 1, S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 871 and H.B. No. 209, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAX INCREMENT FINANCING," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 872) recommending that House Bill No. 997, H.D. 1, S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 872 and H.B. No. 997, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT MAKING AN APPROPRIATION FOR THE STATE'S RENTAL ASSISTANCE PROGRAM," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 873) recommending that House Bill No. 49, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 873 and H.B. No. 49, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO CARE FOR THE ELDERLY," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 874) recommending that House Bill No. 101, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 874 and H.B. No. 101, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO AN OFFICE OF COMMUNITY SERVICES," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 875) recommending that House Bill No. 436, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 875 and H.B. No. 436, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO PERSONAL CARE SERVICES," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 876) recommending that House Bill No. 134, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 876 and H.B. No. 134, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 877) recommending that House Bill No. 144, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 877 and H.B. No. 144, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT MAKING APPROPRIATIONS FOR COLLECTIVE BARGAINING COST ITEMS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 878) recommending that House Bill No. 146, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 878 and H.B. No. 146, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO STATE OFFICERS AND EMPLOYEES EXCLUDED FROM COLLECTIVE BARGAINING AND MAKING APPROPRIATIONS AND OTHER ADJUSTMENTS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 879) recommending that House Bill No. 147, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 879 and H.B. No. 147, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII PUBLIC EMPLOYEES HEALTH FUND," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 880) recommending that House Bill No. 174, H.D. 1, S.D. 1 pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 880 and H.B. No. 174, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT RELATIONS BOARDS," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on

Ways and Means, presented a report (Stand. Com. Rep. No. 881) recommending that House Bill No. 89, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 881 and H.B. No. 89, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TRAFFIC SAFETY," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 882) recommending that House Bill No. 281, H.D. 2, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 882 and H.B. No. 281, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO THE STATE HIGHWAY FUND," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 883) recommending that House Bill No. 363, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 883 and H.B. No. 363, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DRIVERS' EDUCATION FUND UNDERWRITERS' FEE," was deferred until Monday, April 1, 1985.

Senator Yamasaki, for the majority of the Committee on Ways and Means, presented a report (Stand. Com. Rep. No. 884) recommending that House Bill No. 1350, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, the report of the majority of the Committee was adopted and H.B. No. 1350, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 885) recommending that House Bill No. 490, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 490, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EXAMINATION OF APPLICANTS FOR HAWAII DRIVER'S LICENSE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 886) recommending that House Bill No. 720, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 720, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR AND OTHER VEHICLES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 887) recommending that House Bill No. 838, H.D. 2, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 838, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO TRAILER REGISTRATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 888) recommending that House Bill No. 284 pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 284, entitled: "A BILL FOR AN ACT RELATING TO DRAWBRIDGE ACROSS SECOND CHANNEL INTO HONOLULU HARBOR," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 889) recommending that House Bill No. 519, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 519, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR AND OTHER VEHICLES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Abercrombie, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 890) recommending that House Bill No. 776, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, the report of the Committee was adopted and H.B. No. 776, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD CARE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Abercrombie, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 891) recommending that House Bill No. 434, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, the report of the Committee was adopted and H.B. No. 434, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DOMICILIARY CARE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Abercrombie, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 892) recommending that House Bill No. 262, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Abercrombie, seconded by Senator Yamasaki and carried, the report of the Committee was adopted and H.B. No. 262, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF SOCIAL SERVICES AND HOUSING," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Kawasaki, for the Committee on Government Operations, presented a report (Stand. Com. Rep. No. 893) recommending that House Bill No. 1061, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 893 and H.B. No. 1061, H.D. 1, S.D. 1, was deferred to the end of the calendar.

Senator Kawasaki, for the Committee on Government Operations, presented a report (Stand. Com. Rep. No. 894) recommending that House Bill No. 108, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, the report of the Committee was adopted and H.B. No. 108, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO RETENTION OF CASHED WARRANTS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Kawasaki, for the Committee on Government Operations, presented a report (Stand. Com. Rep. No. 895) recommending that House Bill No. 214, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, the report of the Committee was adopted and H.B. No. 214, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMITTEE MEMBERSHIP," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Kawasaki, for the Committee on Government Operations, presented a report (Stand. Com. Rep. No. 896) recommending that House Bill No. 824, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Kawasaki, seconded by Senator Fernandes Salling and carried, the report of the Committee was adopted and H.B. No. 824, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PAYMENT FOR GOODS AND SERVICES UNDER SECTION 103-10, HAWAII REVISED STATUTES, AS AMENDED," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 897) recommending that House Bill No. 401, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 401, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMALS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the majority of the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 898) recommending that House Bill No. 153, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the majority of the Committee was adopted and H.B. No. 153, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MEMBERS OF BOARDS AND COMMISSIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the majority of the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 899) recommending that House Bill No. 194, H.D. 1, S.D. 1, as

amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 899 and H.B. No. 194, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO ACCRETION," was deferred until Monday, April 1, 1985.

Senator Matsuura, for the Committee on Energy, presented a report (Stand. Com. Rep. No. 900) recommending that House Bill No. 949, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Matsuura, seconded by Senator Aki and carried, the report of the Committee was adopted and H.B. No. 949, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO GEOTHERMAL RESOURCES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 901) recommending that House Bill No. 193, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the Committee was adopted and H.B. No. 193, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO WILDLIFE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 902) recommending that House Bill No. 1163, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 1163, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD VICTIMS AND WITNESSES; RIGHTS AND SERVICES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 903) recommending that House Bill No. 1166, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 1166, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO VICTIM NOTIFICATION REQUIREMENTS OF

CONDITIONAL RELEASE CENTERS; FURLOUGHS FOR PRISONERS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 904) recommending that House Bill No. 329, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 904 and H.B. No. 329, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO DRIVING UNDER THE INFLUENCE OF INTOXICATING LIQUOR," was deferred until Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 905) recommending that House Bill No. 333, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 333, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO DISPOSITION OF DEFENDANTS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 906) recommending that House Bill No. 28, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 28, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO EVIDENCE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Aki, for the Committee on Economic Development, presented a report (Stand. Com. Rep. No. 907) recommending that House Bill No. 1239, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Aki, seconded by Senator Matsuura and carried, the report of the Committee was adopted and H.B. No. 1239, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE LAND USE COMMISSION," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 908) recommending that

House Bill No. 1393, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 1393, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CIVIL AIR PATROL," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cayetano, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 909) recommending that House Bill No. 453, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cayetano, seconded by Senator Toguchi and carried, the report of the Committee was adopted and H.B. No. 453, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE METROPOLITAN PLANNING ORGANIZATION," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 910) recommending that House Bill No. 40, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 910 and H.B. No. 40, S.D. 1, was deferred to the end of the calendar.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 911) recommending that House Bill No. 227, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 227, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CEMETERIES AND MORTUARIES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 912) recommending that House Bill No. 230, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No.

230, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE MOTOR VEHICLE INDUSTRY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 913) recommending that House Bill No. 234, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 234, H.D. 2, entitled: "A BILL FOR AN ACT RELATING TO OPTOMETRY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 914) recommending that House Bill No. 311, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 311, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR CARRIERS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 915) recommending that House Bill No. 557, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 557, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLE REPARATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 916) recommending that House Bill No. 743, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 743, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII

INSURANCE LAW," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 917) recommending that House Bill No. 757, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 757, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO ELEVATOR MECHANICS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 918) recommending that House Bill No. 759, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 759, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PHARMACY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 919) recommending that House Bill No. 839, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 839, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 920) recommending that House Bill No. 995, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the majority of the Committee was adopted and H.B. No. 995, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MASSAGE," passed Second Reading and was placed on the calendar for Third

Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 921) recommending that House Bill No. 1354, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 1354, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HORIZONTAL PROPERTY REGIMES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 922) recommending that House Bill No. 1356, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 1356, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO BOARDS AND COMMISSIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 923) recommending that House Bill No. 1357, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the majority of the Committee was adopted and H.B. No. 1357, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 924) recommending that House Bill No. 1360, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 924 and H.B. No. 1360, H.D. 1, was deferred to the end of the calendar.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 925) recommending that House Bill No. 1366, as amended in S.D. 1, pass Second Reading and be placed on the calendar for

Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 925 and H.B. No. 1366, S.D. 1, was deferred to the end of the calendar.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 926) recommending that House Bill No. 1489, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the majority of the Committee was adopted and H.B. No. 1489, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO TIME SHARING," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 927) recommending that House Bill No. 346, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 927 and H.B. 346, H.D. 1, S.D. 1, was deferred to the end of the calendar.

Senator Cobb, for the majority of the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 928) recommending that House Bill No. 347, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 928 and H.B. No. 347, H.D. 1, S.D. 1, was deferred to the end of the calendar.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 929) recommending that House Bill No. 240, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 240, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO THE COMMISSIONER OF FINANCIAL INSTITUTIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce,

presented a report (Stand. Com. Rep. No. 930) recommending that House Bill No. 755, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 755, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO OSTEOPATHIC EXAMINERS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 931) recommending that House Bill No. 1285, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 1285, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CRIMINAL RECORD CLEARANCE," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 932) recommending that House Bill No. 697, H.D. 1, S.D. 1, as amended in S.D. 2, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 932 and H.B. No. 697, H.D. 1, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO REPORTING OF PENAL CODE OFFENSES OCCURRING IN PUBLIC SCHOOLS," was deferred until Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 933) recommending that House Bill No. 830, H.D. 1, as amended in S.D. 1, pass Third Reading.

By unanimous consent, action on Stand. Com. Rep. No. 933 and H.B. No. 830, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PROHIBITED MOTOR AND OTHER VEHICLE EQUIPMENT," was deferred until Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 934) recommending that House Bill No. 558, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 558, H.D. 1, S.D. 1, entitled: "A BILL FOR

AN ACT RELATING TO MOTOR VEHICLE ACCIDENT REPARATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Chang, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 935) recommending that House Bill No. 265, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Chang, seconded by Senator Cayetano and carried, the report of the Committee was adopted and H.B. No. 265, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD SUPPORT," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 936) recommending that House Bill No. 229, H.D. 2, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 229, H.D. 2, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO COMMERCIAL EMPLOYMENT AGENCIES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 937) recommending that House Bill No. 235, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 235, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO PHARMACISTS AND PHARMACY," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 938) recommending that House Bill No. 509, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 509, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO MOTOR VEHICLES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April

1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 939) recommending that House Bill No. 520, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 520, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO HORIZONTAL PROPERTY REGIMES," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Cobb, for the Committee on Consumer Protection and Commerce, presented a report (Stand. Com. Rep. No. 940) recommending that House Bill No. 761, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Senator Cobb, seconded by Senator B. Kobayashi and carried, the report of the Committee was adopted and H.B. No. 761, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO NURSING HOME ADMINISTRATORS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

At 5:42 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 5:43 o'clock p.m.

At 5:44 o'clock p.m., on motion by Senator Cobb, seconded by Senator Soares and carried, the Senate stood in recess until 9:00 o'clock p.m.

EVENING SESSION

The Senate reconvened at 9:27 o'clock p.m.

MATTERS DEFERRED FROM EARLIER ON THE CALENDAR

Standing Committee Report No. 853 (H.B. No. 463, H.D. 2, S.D. 2):

Senator Yamasaki moved that Stand. Com. Rep. No. 853 be adopted and H.B. No. 463, H.D. 2, S.D. 1, as amended in S.D. 2, be placed on the calendar for Third Reading, seconded by Senator Mizuguchi.

Senator Henderson then offered the following amendment:

"SECTION 1. House Bill 463, H.D. 2, S.D. 2, is amended as follows:

1. By amending lines 10 to 15 on page 1

to read:

'Section 386-25 Vocational rehabilitation. (a) The purposes of vocational rehabilitation are to restore an injured workers' earning capacity as cost-effectively as possible and to return the injured worker to suitable gainful employment in the active labor force as quickly as possible.'

2. By amending lines 11 to 14 on page 4 to read:

'(h) Unless the employer approves, the rehabilitation plan shall not exceed 52 weeks.'

'(i) If the employee rejects the approved rehabilitation plan, the employee shall have no further right to vocational rehabilitation benefits.'

3. By amending line 2 on page 6 to read:

'the first [two days thereof] three calendar days thereof following the day of disability shall pay the injured'

4. By amending lines 8 to 12 on page 6 to read:

'cent of his average weekly wages. [In case the total disability exceeds five days, the compensation shall be allowed from the date of disability.]'

5. By deleting SECTION 6, lines 3 to 22 on page 15, and lines 1 to 4 on page 16.

6. By amending line 8 on page 16 to read:

'for the purpose of obtaining any benefit or payment under'

7. By amending line 10 on page 16 to read:

'for the purpose of avoiding any benefit or payment under'

8. By deleting SECTION 10, lines 2 to 22 on page 19, and lines 1 to 11 on page 20.

9. By amending SECTION 11 on pages 20 to 22 to read:

'Section 386-51 Computation of average weekly wages. Average weekly wages shall be computed in such a manner that the resulting amount represents most fairly in the light of his employment pattern and the duration of his disability, the injured employee's average weekly wages from all covered employment at the time of the personal injury. [In no event, however, shall an employee's average weekly wages be computed to be less than his hourly rate of pay multiplied by thirty-five.'

(1) Where appropriate and feasible such computation shall be made on the

basis of the injured employee's earnings from covered employment during the twelve months preceding his personal injury; but if during this period, the employee because of sickness or similar personal circumstances was unable to engage in employment for one or more weeks then the number of such weeks shall not be included in the computation of the average weekly wage.]

(1) The average weekly wage shall be the greater of the injured employee's earnings during (a) the seven calendar days immediately preceding the date of injury or (b) the four weeks immediately prior to the date of injury or (c) any consecutive 13-week period during the year prior to the date of injury. For purposes of this calculation, the injured employee's earnings shall include all earnings during the period selected, from any source whatsoever, so long as those earnings were from covered employment or were reportable for federal or state income taxes even if prior earnings were in another state.

(2) Where an employee at the time of the injury was employed at higher wages than during any other period of the preceding twelve months then his average weekly wages shall be computed exclusively on the basis of such higher wages.

(3) Where, by reason of the shortness of the time during which the employee has been in the employment or the casual nature or terms of the employment, it is not feasible to compute the average weekly wages on the basis of the injured employee's own earnings from such employment, regard may be had to the average weekly wages which during the twelve months preceding the injury was being earned by an employee in comparable employment.

(4) In no case shall the total average weekly wages of any employee be computed at a lower amount than the average weekly wages earned at the time of the injury by an employee in comparable employment engaged as a full-time employee on an annual basis in the type of employment in which the injury occurred.

(5) (2) If an employee, while under [twenty-five] thirty years of age, sustains a work injury causing permanent total disability or death, his average weekly wages shall be computed on the basis of the wages which he would have earned in this employment had he been [twenty-five] thirty years of age.

[(6)] (3) The director of labor and industrial relations may issue rules for the determination of the average weekly wages in particular classes of cases, consistent with the principles laid down in the first paragraph of this section.'

10. By deleting SECTION 12, lines 18 to 22 on page 22, and lines 1 to 7 on page 23.

11. By deleting SECTION 13 on pages 23 to 29.

12. By deleting SECTION 14 on pages 29 to 42.

13. By deleting SECTION 15 on pages 42 to 44.

14. By adding a new SECTION 24 to read: 'SECTION 24. Section 386-85, Hawaii Revised Statutes, is amended to read as follows:

'Section 386-85 Presumptions. In any proceeding for the enforcement of a claim for compensation under this chapter it shall be presumed, in the absence of substantial evidence to the contrary:

- (1) That the claim [is for a covered work injury] comes within the provisions of this chapter;
- (2) ~~That sufficient notice of such injury has been given;~~
- (3) That the injury was not caused by the intoxication of the injured employee; and
- (4) That the injury was not caused by the wilful intention of the injured employee to injure himself or another.'

15. By renumbering SECTIONS 7 to 27 of House Bill 463, H.D. 2, S.D. 2 starting from SECTION 6 forward.

Senator Henderson moved that the amendment be adopted, seconded by Senator Soares.

Senator Henderson explained the amendment as follows:

"Mr. President, Floor Amendment No. 1 contains about fourteen different parts or sections and I'd like to address each one of these sections with my explanation.

"Amendment No. 1: This amendment deletes the phrasing which requires that workers' earnings be returned as nearly as possible to their pre-injury level. The language of Senate Draft 2 is susceptible to misinterpretation, for what are the factors which determine whether near pre-injury level has been reached? To avoid this result, we recommend the language of the amendment before you.

"The second part of the amendment is to insert 'suitable gainful employment' for 'suitable work,' as this phrase is already defined in the Department's rules and regulations.

"Amendment No. 2: This amendment

proposes that the rehabilitation plan not exceed fifty-two weeks. Testimony received stated that plans generally ran between six to ten months, so a full year should be ample for all but a few cases.

"The amendment allows the employer to approve longer plans, if necessary. We believe a cap on the length of a plan is necessary, since some current plans have been approved for as long as four years and have included a college education.

"We believe that if an employee rejects the approved plan, he should have no further right to rehabilitation benefits. There is ample protection for the employee in the setting up of rehabilitation plans. Should an employee reject such approved plans, it's only fair that he have no further right to such benefits.

"Amendment Nos. 3 and 4: We suggest three calendar days following the day of disability, without a recapture period, as the fairest compromise without undue additional expense to the employer.

"The proposal in Senate Draft 2 does two things that increase costs and administrative difficulty. First, by continuing a recapture of five days, the jagged curve shown in Haldi's Report, page 47, would be as severe as it is presently.

"The jagged curve I just mentioned, for those of you who are unfamiliar with it, shows the distribution of cases processed. There is a marked increase in the number of lost time days immediately following the fifth day following the date of disability. This may reflect the incentives in the present system which reward workers who are able to stretch their absence from the job to six days, thereby enabling them to become eligible for retroactive benefits.

"The second problem with the proposal is that it, in effect, mandates the employer to pay sick leave for industrial disability days. While some employers, including the State, may have chosen to do this, either by policy or through collective bargaining, it was their choice and not something forced on them by statute. For employers whose sick leave plans do not provide full wage loss replacement (and that's the vast majority), this provision would either be meaningless or require a sick leave plan amendment. In effect, the provision does nothing but transfer costs of one program to another.

"Amendment No. 5: This language and this deals with attorneys' fees is a violation of the contract clause of the U.S. and Hawaii Constitutions. This clause forbids any law from impairing the obligation of contracts. I would remind you that no one has shown that payments of attorneys' fees by self-insured employers or payments to a

claimant's attorney have a bearing on the cost of administering claims for workers' compensation benefits.

"There is also a substantial impairment to existing contracts between attorneys and their clients. In addition, this is a clear violation of the attorney-client privilege in that it significantly broadens reporting requirements which are currently expected when a claimant's attorney submits his fees for services.

"Amendment Nos. 6 and 7 (This deals with the fraud section.): The inclusion of the word 'sole' in the penalty clause makes these provisions ineffective and inoperative. A person may have more than one purpose in attempting to obtain benefits. Providing that the sole purpose was obtaining or avoiding benefits or payments is a near impossibility. There are ample protections in the language for claimants or others, who are alleged to have reported falsely.

"Amendment No. 8: We look upon these provisions regarding the Accident Prevention Unit as a costly and unnecessary duplication of functions currently carried out by the division of occupational safety and health. This division, the first of its kind in the nation, is operating successfully, and should not be impaired by the reactionary response contained in Senate Draft 2.

"Amendment No. 9: One of the most unfair provisions in the present law is the provision providing for part-time employees to receive benefits as if they were full-time employees. At the same time, we are concerned lest an unusual earning situation should provide an injured employee with less than his average normal weekly wage.

"For these reasons, we propose the adoption of Dr. Haldi's recommendation for calculations of the average weekly wage.

"Dr. Haldi sets forth a three part solution which addresses this problem. He computes the average weekly wage of all workers on the basis of these workers' prior earnings. Under this scheme, all workers would be treated equally, giving each person the benefit of reasonable doubt about their prior earnings.

"To be specific, a worker's average weekly earnings would be the greater of earnings during (1) the seven calendar days immediately preceding the day of injury, or (2) the four weeks immediately prior to injury, or (3) any consecutive 13-week period during the year prior to the date of injury.

"Amendment No. 10 (This is the standing provision.): The HMSA proponent of this

provision, in testimony before the Ways and Means Committee, made it clear that this was not the proper way for these providers to protect their subrogation rights.

"Current law does not afford standing in court to pre-paid health care plan contractors for good reasons. Senate Draft 2 would allow the contractors the right to participate as interested parties for the sole purpose of asserting their subrogation rights against an employer or insurance carrier. Since compensability may be the issue on appeal, a determination may not yet be made as to whether a claimant is even in the system. To allow the health care plan contractor to participate at this point is patently unfair and not the law in any jurisdiction. This portion of Senate Draft 2 is special interest legislation at its worst. It's a lawyer's bonanza.

"Amendment No. 11 (This is the business advocate.): We have still heard of no business person who wants or sees any need for this alleged service to business. Furthermore, this function can be adequately performed by the insurance commissioner. The only possible justification for the establishment of a business advocate would be to remove the special compensation fund from the Department of Labor. However, giving that fund to the business advocate with his other duties would create more of a conflict than presently exists in the department.

"In addition, the establishment of a business advocate will cost the taxpayers of this state at least \$100,000 a year for the next two years, money that could be better spent on other needs.

"Amendment No. 12: It is possible that the establishment of a competitive state insurance fund might be of benefit to some employers. However, just because other funds of long-standing in other states have been successful, we cannot assume that a similar fund, without substantial reserves, would also be successful in Hawaii. Furthermore, if such a fund were implemented and failed, millions of dollars would be assessed against existing companies.

"In addition, establishing a state compensation fund would cost the taxpayers of this state at least half a million dollars a year for the next two years. (That's what's proposed in the bill.) Testimony received indicates that this amount is woefully inadequate to establish a viable fund, more rational estimates being in the neighborhood of \$3-4 million. Also, a state fund would have no effect on the rapidly escalating costs of the self-insured employers, including the state and the counties. We suggest a study of the feasibility of establishing such a fund. Clearly,

implementing such a fund without careful study would be a violation of the public trust.

"Amendment No. 13: This amendment merely deletes the money being used to establish the business advocate and state compensation fund.

"Amendment No. 14: And finally, Mr. President, this addresses the presumption section of the Hawaii Workers' Compensation Law.

"This amendment is the key to the workers' compensation problem in Hawaii. It returns Hawaii's presumption section to its original form as passed by the 1959 Territorial Legislature. Act 240, S.L.H. 1959, sets forth a presumption section which stated that ..."it shall be presumed, in the absence of substantial evidence to the contrary: (1) that the claim comes within the provisions of this chapter. This is the approach used in New York, Alaska, Oklahoma, and Washington, D.C. It is also the approach used in the federal Longshoremen's and Harbor Workers' Compensation Act and is incorporated in a number of other federal laws; specifically, the Defense Base Act, the War Hazards Compensation Act, the Outer Continental Shelf Lands Act and the Nonappropriated Fund Instrumentalities Act. The Defense Base Act includes all workers on defense bases or subcontractors on foreign soil including any work in the actual related defense base areas. In Hawaii, the Nonappropriated Fund Instrumentalities Act is a very large area of law which incorporates all of the federal workers in the hotels, officers clubs and all of the civilian workers working for the federal government who are not covered by the Federal Employees Compensation Act.

"In 1963, Act 116 changed the wording to: '...(1) That the claim is for a covered work injury...' There have been no further amendments to this section.

"The Committee Report, Standing Committee Report 334 on S.B. No. 853 out of the Labor Committee in 1963 as reported in the Senate Journal for that year notes that: '...The language of the bill in its amended form is based in large measure, though not exclusively, on the recodification of chapter 97 recommended by Dr. Stefan A. Riesenfeld, Professor of Law, University of California in 'Study of the Workmen's Compensation Law in Hawaii' prepared by the Legislative Reference Bureau (Report No. 1: January, 1963)...'

"A reading of the study does not suggest any reason for the change to a 'covered work injury' from 'within the provisions of this chapter.' Standing Committee Report 334 on S.B. No. 853 makes no note of the

reason for the change either.

"The manner in which our Supreme Court has interpreted the current presumption clause has made it impossible to rebut. We propose to return to the original language especially since millions of dollars have been spent litigating Section 20 of the Longshoremen's and Harbor Workers' Compensation Act and since there now exists a large body of case law interpreting this section.

"Our amendment restores a balance of fairness between the interests of the employer and the employee. Thank you."

Senator Kawasaki rose to speak in favor of the amendment as follows:

"Mr. President, I speak in favor of the amendments with mixed feeling. I wish that we would not have to vote on the amendments all lumped together, all fifteen of them, because I find some of the amendments offered here are certainly logical, certainly gives credence to our purported desire to the business community who has suffered for many years, that we want to do something about correcting the abuses and the shortcomings of the workers' comp statutes that we have today. I would have wished that we would consider these amendments seriatim, so to speak, section by section or amendment by amendment. I find that I can't quite support Amendment No. 5, relative to attorneys' fees between the clients and the attorneys, but other amendments certainly make sense; certainly will bring the reforms that are badly needed.

"It seems to me that because these amendments are lumped together and thrown at us tonight, this evening's session, it seems to me the wise thing to do is to pass the amendments and pass the bill on Second Reading based on the amendments, and then on Third Reading to discuss the entire bill in the amended form so we can discuss it adequately. But, if I know what's going to happen tonight, this amendment is going to be turned down on the basis that it was a Republican sponsored amendment and the Democrats can't support it.

"This kind of posture, I think, is going to hurt the Democrats because some of these amendments do make sense. I would wish that we pass the bill, as amended, and then debate the amended bill to high heaven, for that matter, because this is a very important issue, perhaps the most important facing this Legislature, and just turning all these amendments down because they're lumped together, and we do this in a cavalier fashion, I think, is not giving credence to the stated, expressed view made all around this Capitol the last one or two weeks that we want to do something to improve the workers' comp statute.

"So, I speak in favor of the amendments proposed, with reservations about having all of these adopted in one form, fifteen of them together. I think this is unfortunate. I wish we could consider these amendment by amendment—this would make sense. In any case, this is not a judgment that I can make tonight because they're all lumped together. I therefore, regrettably, speak in favor of the adoption of the amendments."

Senator Soares rose to speak in favor of the amendments as follows:

"Mr. President, I certainly welcome the statements made by the previous speaker.

"I think it is very unfortunate and unfair that the amendments which have been proposed by Senator Henderson, which are well-conceived and well-researched, are being viewed as political and partisan.

"These amendments are not partisan. They offer solutions sought by small business, big business, everyone involved in the employment industry in the State of Hawaii. The calls and letters to our offices are from all walks of life. I agree with Senator Kawasaki that seldom have we been asked by such a cross section of the community, Democrats and Republicans alike, to respond to a particular issue, such as workers' comp, which is crippling business and industry in Hawaii.

"With thanks to the Chairman, we were able to discuss in committee these amendments with members of Ways and Means. As we sit here tonight debating these amendments, Mr. President, it is clear to me that, rather than focusing on the tremendous opportunity which we have to do something positive to strengthen and enhance the climate of business in our state, we are polarizing the issue into one of employer vs worker, labor vs management, Republican vs Democrat.

"Mr. President, these amendments were introduced as a package, rather than one by one, because we felt that was what was being asked of us. I suggest this: if we really want to help business, if we really want to take the bull by the horns, give the Senate the opportunity to buy these amendments in toto and go into conference with the House. Most of us sitting here tonight must acknowledge that we've talked to our constituents; we've told them we want to help business; that they're right we do need a sound business climate; that we're listening to them; that the time is now.

Mr. President, this is not a Republican vs Democratic amendment program. What we are trying to do is to set forth, in a concise and clear fashion, what each amendment will do for business. How much more do we

have to do in order for us to work together?

"Mr. President, I believe that this body can take a major step forward in producing a workers' compensation law that everyone can live with by adopting these amendments and letting them go to conference. Thank you."

Senator McMurdo rose to speak in favor of the amendments as follows:

"Mr. President, I would like to echo the Senator on my left, a concern for voting for them all at one time. There are some that I prefer over others. Nevertheless, I think they are definitely the kind of step that we should take tonight even if we were to amend some of them on Monday. They do contain the really critical changes necessary to put workers' compensation back on the right track. They will help to slow down the spiraling cost of worker's comp, which has been so hard on all business men, large or small, in this state.

"Senate Draft 2 of H.B. 463 has done little to improve Senate Draft 1 and without these amendments it is merely a sop to legislative conscience so that we can say we passed the worker's comp bill this year.

"I urge this body to consider carefully before you vote, consider these amendments carefully, and remember that there are as many Democrats in business as there are Republicans. This is a bi-partisan issue and it deserves to be considered as such.

"So, I urge you to consider voting for these. If you want to throw some of them out out on Monday, that's one thing, but let's not let this whole improvement to this bill go down the tube. I've had hundred and hundreds and hundred of letters on this, and I feel the same way. I'm sure every one of you have had tremendous amount of correspondence and people coming in, and I think it's time to give our businessmen the break they deserve. Thank you."

Senator Yamasaki rose to speak against the amendment as follows:

"Mr. President, I would like to go through the amendment and explain why these amendments should not be supported.

"Amendment No. 1: This amendment relating to vocational rehabilitation is unacceptable for the following reasons:

"One, the current language in Section 2 is tailored to Mr. Haldi's recommendation and found in page 80 of the Haldi report.

"It is Mr. Haldi who proposed that one goal of rehabilitation is to restore the injured worker's earning capacity to pre-injury state.

"Two, we have already amended Section 2 to accommodate the proponents concern that the goal of restoring pre-injury earnings is impossible to reach. We changed the language by providing 'as nearly as possible' to pre-injury earnings. This way there is no absolute requirement that the goal be achieved in each case. However, it is a desirable objective to strive for.

"Three, the proposal that 'suitable work' be deleted and other language be substituted would misdirect vocational resources.

"One reason why so much waste now occurs is because rehabilitation services are not directed to suitable areas. This phrase, 'suitable work,' is designed to focus services to make it cost effective.

"The duration of rehabilitation services will be cut short if rehabilitation services are directed to suitable work. This way rehabilitation costs are kept low.

"The proposal that vocational rehabilitation be limited to 52 weeks is arbitrary.

"While the Department of Labor did say that on the average most plans provide for less than 52 weeks, the Department did not support a cap.

"Testimony from rehabilitation counselors in both House and Senate committees is against the limitation proposed. Since these professionals work with the cases, they know that the fairest way to set the duration of the plan is case by case.

"There is also no justification to let the employer decide the duration of the plan since he or she has no professional expertise.

"Five, the proposal to waive rehabilitation benefits if the injured worker rejects an approved plan is not fair since under current rules a worker has a right to revise his plan once.

"Many times after rehabilitation plans are developed economic conditions change. There is no reason why the injured worker should be penalized for these conditions which require that the plans be amended or even be totally modified. Each case should be handled individually to be fair.

"Waiver of rehabilitation rights would also be inconsistent with the reopening rights under Section 386-89.

"Amendment No. 3: This amendment regarding waiting period has been partially accepted and partially rejected. The proposal that the three calendar day waiting period be set without condition is accepted. The part that has been rejected is due to the

following reasons:

"One, the proponent falsely claims that the proposal on recapture forces employers to pay sick leave and change their policies. All that the bill does is try to treat workers similarly situated the same.

"So, government workers who have a sick leave plan should not be paid workers' compensation. Same with employees of Hawaiian Telephone Company where by contract employees receive full wages. There should be no recapture for them.

"However, other workers who do not have sick leave plans should not be penalized. We only allow a recapture of disability benefits if their disability is prolonged for five days and if they do not receive other benefits.

"Two, by extending the waiting period we are depriving workers who are clearly entitled to benefits wage loss payments. The reason for the change in law is to reduce costs to the overall program.. However, in reducing costs we must do so fairly and equitably.

"Three, also the proponent claims there is abuse with the five day recapture period. To deal with this, the bill toughens up the penalties for fraud. In cases where there is abuse, benefits shall be suspended.

"We cannot condone what the abusers of the waiting period do if there is evidence of misuse. However, we must do so without unduly penalizing the vast majority of legitimate claimants who except for the waiting period would be justly entitled to benefits.

"Four, the current bill is a cost savings to insurance carriers. For employers to benefit from these changes they must amend their insurance policies to avoid double payments for sick leave and workers' compensation. By the present language we intend that employers receive the benefit without being unfair to the workers.

"Amendment No. 4: This amendment regarding computation of average weekly wages has been partially accepted and partially rejected. Our explanation for not accepting the amendment in whole is the following:

"One, the proposal which eliminates the 35 hour basis for calculating weekly benefits for part-time benefits is unfair to part-time workers since the effect of injuries in most cases deprives part-time employees of full-time jobs.

"Take the case of a part-time worker who suffers a back injury. The impact of the injury will cause total disability as it would

to the full-time worker. If the effect of the injury is total, the part-time worker is legitimately entitled to compensation equal to any other worker during the duration of total disability.

"If an employer is concerned that a part-time worker does not have incentive to return to his regular job under current law, light duty work can be offered to cut off benefits. In most industries where part-time workers are hired, this remedy is available to cut off the undeserving.

"Two, the proposal to treat part-time workers differently will have adverse social and economic effects.

"Under the prepaid health and TDI laws we have allowed employers not to cover employees who work less than twenty hours per week. In part, due to these measures, we encourage the creation of a large part-time labor force. This development has many adverse social effects to Hawaii.

"By adopting what this amendment wants to do, we encourage this type of economic development. The social welfare costs will only increase.

"Three, the proposal to change the basis for calculating the average weekly wages will be unfair to employers and injured employees alike. Under the amendment the compensation level will be based on the better of seven calendar days wages pre-injury or thirteen consecutive weeks' wages pre-injury. Under current law compensation levels are based on review of a year's wages. To shorten the period will result in illogical and arbitrary determinations of wage rates.

"As you know, we have adopted the proposal to change from 25 to 30 the benchmark to determine the wage rates of a youthful injured worker. We believe this change is warranted for the reasons he gave.

"Amendment No. 5: This amendment relating to the approval of fees for all attorneys and experts is rejected for the following reasons:

"One, our objective is to reduce costs. Currently only fees of attorneys and experts hired by injured workers require the Director's approval. Fees are reviewed by the Director of Labor to see that the hourly rates are reasonable and the number of hours charged are proper.

"It has come to our attention that attorneys representing employers and insurance carriers can and sometimes do expend a lot of workers' compensation program resources without any check. As part of our cost reduction objectives of the entire measure, we feel this provision is fair.

"Two, some claim that the law is unconstitutional. We are advised otherwise by attorneys. Furthermore, if it is unconstitutional when proposed against employers and insurance carriers, we can't understand why the proponent wants the current law which regulates attorneys of injured employees now. If the bill is unconstitutional as proposed, it is unconstitutional as the law now exists.

"Three, there is no rational justification for regulating attorneys representing claimants and not employers. This measure provides for fair treatment to all attorneys and experts.

"As you know, we have exempted in-house counsel from the coverage of this section since their fees are set regardless of services rendered under Chapter 386.

"Amendment Nos. 6 and 7 (Fraud): The amendment relating to the fraud provisions of the bill has been partially accepted. We agree with the part making mandatory the suspension or termination of benefits. The other proposal that we delete the word 'solely' from the section has been rejected for the following reasons:

"One, the proponent misleads us by asserting that the word 'solely' in the fraud section makes it 'ineffective and inoperative.' If this is true I ask how is it that the same approach and language is currently in use in other parts of our labor laws.

"For example, under HRS Section 378-32 the same words are used to prohibit an employer from discriminating or discharging a worker who has filed a workers' compensation claim. The word 'solely' requires the worker to prove that a workers' compensation claim is a 'sole' reason for his or her discrimination or discharge. If that provision is fair for the employer, this will be fair to injured employees and others who are covered by this anti-fraud bill.

"Two, it should also be remembered that this anti-fraud bill applies to health care providers, employers, insurance carrier representatives, as well as injured employees. It must be fair to all. It would be improper to penalize someone for other reasons except as it related to workers' compensation.

"There are other criminal statutes which cover fraud for other reasons. This bill is an additional provision designed to provide civil penalties for those who by false information seek undeserving benefits as well as those who use false information to deny a deserving worker benefits. Since this is a workers' compensation law, we seek only to control fraud within the system.

"The word 'solely' insures that we achieve this goal.

"Amendment No. 8 (Accident Prevention Unit): This amendment relates to the establishment of an accident prevention unit has been rejected for the following reasons:

"One, as Mr. Haldi confirms, one of the reasons for the high costs of workers' compensation in Hawaii is the relatively high accident rate here compared to other states. Mr. Haldi did not come up with any ideas to address the problem.

"The purpose of the unit is evident from the title of the section—accident prevention.

"Two, we recognized that currently employers who have good safety records do not receive financial incentives for continuing their efforts.

"By establishing an accident prevention unit which certifies the achievements of employers and by amending the insurance laws, we create a financial incentive which promotes job safety.

"Three, the proponent asserts that the unit duplicates present functions currently carried out by the Department. This is just not true.

"The OSHA program primarily involves citation of violators for unsafe conditions. There is little or no program designed to determine the causes of on-the-job accidents.

"Furthermore, there is currently no system established to identify high risk areas which account for the number of workers' compensation claims.

"Employers must receive the benefit of professional safety personnel and information which is available but not properly organized for use.

"Amendment No. 10: The amendment relating to standing to intervene in appeals has been partially adopted and partially rejected. The reasons we have refused to delete this section are as follows:

"One, insurance carriers should not receive a windfall from medical payments made by pre-paid health plan contractors which should be made by workers' compensation insurers. Currently these contractors are not allowed to intervene to protect their subrogation rights.

"The sole purpose of this section is to allow the contractors to assert their contractual rights.

"Two, the proponent mentions that this portion of the bill does not work toward

duplication or payment of benefits by the employer. This is not true.

"By allowing the pre-paid health plan contractors to get back from the insurance carriers what they are justly entitled to, we expect employers to receive returns ultimately. This is a matter that should be handled between the employers and the pre-paid health plan contractors.

"Another amendment which proposes to delete the business advocate from the bill is unacceptable for all of the reasons contained in the Standing Committee Report which justifies the establishment of this unit. For additional consideration, let me refer you to several developments which may not have been known by all:

"One, in Mr. Haldi's interim report it is indicated in a footnote on page 40 what the effect of taking into account investment income would mean a reduction of in insurance rates. Referring to our 1983 enactment of Act 263, Mr. Haldi states: 'Hawaii is not the first state to require an investment offset in the ratemaking procedure. Experience in Massachusetts, Minnesota, and New Jersey indicates that proper recognition of investment income in the development of rates for workers' compensation may result in a reduction of rates on the order of ten percent.'

"Mr. Haldi, in testimony to the House subject matter committee, reaffirmed his prediction that there will be a ten percent reduction if the intent of Act 263 is properly implemented.

"Unfortunately, the Act has not been implemented at all because there is no mechanism to assure proper compliance by the insurers under present law. Accordingly, the business advocate's unit is necessary.

"Two, I have additional reason to believe that the cost savings in reduced premiums may be even greater. It has come to my attention that certain insurance representatives have indicated that they may even be willing to roll-back premiums by twenty percent if we would consider deleting the business advocate unit.

"The importance of the business advocate is confirmed by such a statement.

"Amendment on the State Fund—this amendment which proposes to delete the competitive state insurance fund is unacceptable because the fund is necessary to provide a long-term solution to unfair, unreasonable, and excessive insurance premium increases. For the reasons stated in the Standing Committee Report, we oppose the proponent's amendment.

"It is also ironic that the amendment is justified on the grounds that further study is needed before implementation. We have had adequate time to study the insurance problem in the interest of employers whose interests are clearly in conflict with those of the insurance industry.

"It is also argued that this amendment is not proper because it does not affect the rapidly escalating costs of self-insured employers, including the State and County. The record indicates that the high cost area is on medical benefits which jumped from approximately \$11 million in 1979 to \$34 million in 1983. Medical benefits account for one-third of all statutory benefits paid for the injured worker. This is where the increase for self-insureds is the greatest. To address this problem, we have in this bill a provision requiring the Department of Labor to develop guidelines for the frequency of medical treatments and controls for overutilization. We also provide for new fee schedules for health care providers. We expect cost reductions in this area.

"Let's not get side-tracked by this type of argument on the state fund.

"Amendment No. 14 (Presumption): The three amendments relating to the statutory presumption that an injury is work connected is unacceptable for reasons previously outlined in the Standing Committee Report, pages 6 and 7. The following considerations need to be highlighted.

"One, testimony of Mr. Haldi and representatives from the insurance industry confirm that a change in the statutory presumption would result in a cost savings of about one or two percent.

"Obviously, any change in the statutory presumption cannot be based on costs savings.

"Having incorporated into this bill a number of provisions designed to cut costs estimated at ten to fifteen percent from statutory benefit areas, amending the statutory presumption in any way is totally unacceptable. Combined with the business advocate and the competitive non-profit fund, the overall impact of this bill should result in savings to employers of approximately 25 to thirty percent.

"Two, the proposal to reduce the standard of proof to preponderance of the evidence will virtually eliminate the current presumption. Preponderance of the evidence is the lowest level of proof known to our legal system.

"Some have falsely argued that injured employees always win under the current

presumption. Therefore, to assert that the standard of proof must be changed to give employers a fair chance. Based on a review of decisions by the Department of Labor, the fact is that in the areas of cardiovascular and cerebral vascular injuries, cases are more often lost by injured employees even under the standard of 'substantial evidence to the contrary.' I have examples of cases if any of you wish to read them in my office.

"Three, one of the proposals is aimed at carving out cases involving cardiovascular, cerebral vascular, mental stress and other injuries involving degenerative diseases. Establishing a two-tiered system in the presumption violates the equal protection clause.

"There is no valid rational basis to justify treating stress-related cases differently from single trauma cases. If anything, the need for the statutory presumption is more evident in those areas where the cause of diseases is unknown, exposure to hazardous employment stimuli is over a prolonged period of time, and where the employer has better access to evidence regarding the harmful exposure. Thus, the two-tiered approach must be rejected.

"I have read the opinion on the constitutional issue on the Deputy Attorney General transmitted and I note that the opinion does not help support his position. In the opinion letter it is stated: 'Any attempt to reinsert the distinctions or exclusions about which you inquire will require not only a clear statement of purpose and findings to support the requisite relationship between the purpose and the distinctions and exclusions, but also a rebuttal to the Senate Committee on Labor and Employment's finding to the contrary.'

"The proponent offers no factual support for his amendment. Your Committee on Ways and Means agrees with the findings of the Committee on Labor and Employment since there has been no medical, scientific or other evidence which supports the two-tiered approach.

"Four, this amendment which proposes that we return to the 1959 language of presumption, is unacceptable.

"In 1963 the wording of the original statutory presumption was modified based on a study of Dr. Stefan A. Riesenfeld, Professor of Law at the University of California. Many of the changes were intended to tighten up the provisions of the law.

"A review of the Standing Committee Report indicates that the language of the presumption was changed to clearly provide that work connection of injuries are covered.

"His attempt to revert to the old language is to negate the effect of the current presumption and persuade our Supreme Court to look into the federal courts to interpret our local laws. Workers' Compensation is a state program that should not be linked to federal interpretation of other laws.

"Finally, Mr. President, these amendments relating to the statutory presumption constitute the different approaches at undermining, diluting and virtually eliminating the effect of the current law. We are opposed to these amendments for the same reasons indicated in the Standing Committee Report, pages 6 and 7. In addition, I would like to point out the following:

"One, the Hawaii Supreme Court, in *Akamine v. Haw'n Packing & Crating Co.*, has defined what substantial evidence to the contrary is. It said: 'Substantial evidence is relevant and credible evidence of a quality and quantity sufficient to justify a conclusion by a reasonable man that an injury or death is not work connected.'

"We agree with the court's definition and believe in the judicial system to interpret and apply the standard of proof as appeals are presented.

"Two, the proposal in Amendment in the Amendment is aimed to differentiate the various standards of proof. No such clarification is necessary since the court is fully aware of distinctions.'

"Three, the amendment is a wholly inadequate definition of the standard. By eliminating the words 'evidence of a quality and quantity' from the *Akamine* definition, the proposal seeks to eliminate the heart of the current standard.

"Therefor, Mr. President, for the foregoing reasons I would like to urge that this amendment be defeated."

Senator Kawasaki spoke again in favor of the amendment as follows:

"Mr. President, the chairman of the Ways and Means Committee's explanation of his opposition and the Ways and Means Committee's opposition to Amendment No. 5, relative to attorneys' fees, I think, buttresses my position also in opposition to Amendment No. 5. The Ways and Means Committee report accompanying this bill very convincingly, (along with the arguments presented by the chairman of the Ways and Means Committee) show the need for providing in this bill a business advocate. These are two amendments that I do not quite agree with in the package of amendments submitted by the Minority Leader.

"Be that as it may, I think the other thirteen amendments provided in this package of amendments require, perhaps, more in-depth study and discussion, debate, and for that reason I think it would be very beneficial for this chamber to adopt the list of amendments as a whole and give us the opportunity to discuss further the need for the adoption of other amendments here which seem logical, as I said, with the exception of Amendment No. 5 and the amendment eliminating the business advocate as suggested by the Minority amendments submitted here. For that reason, I again speak in favor of adopting the amendments as a whole for further discussion before Third Reading vote is taken."

Senator Cobb spoke in favor of the amendment as follows:

"Mr. President, I'm going to vote for the amendment and I think a few brief remarks as to why are in order. First of all, I would like to incorporate the Vice President of the Senate's remarks in the first instance as my own, except for the word 'cavalier.'

"Second, I'm going to support this amendment in an effort, also, to insure with other Democrats that it is bi-partisan in nature and to be consistent with my earlier concerns on the subject of workers' comp that I expressed as a member of the Labor Committee when we had decision making in that particular committee.

"Third, I would like to point out that in my brief seven years in the Senate I have yet to see a single party line vote on any issue, and I hope I never do, and that even includes the time of the coalition when 10 and 8 had some very heated discussions and the plaster on the walls started to crack, and even in that caucus there was never a party line vote. And I think that's a healthy thing, and I hope it continues because it tells me that we try to settle things on the basis of merit of the issue and not party labels. I would like to assure my colleagues in the Minority that a lot of us don't consider things on party labels and I doubt very much if this one is going to be voted up or down just on a party label.

"Personally, Mr. President, many interests in our community do not want to see this bill passed, and I'm referring not just to labor, but also to people in insurance as well as to many business people. We are told that there was a 25 to 30 percent savings that could be brought about by the terms of this bill. What I don't understand is why business doesn't believe that; but obviously, they don't. I would agree that yes, presumption is an emotional issue, that the current court interpretations discourage many challenges to that presumption clause, thus the savings that could be effected by a change in the presumption

may be far more than two percent if further challenges were considered to have a reasonable chance. I heard of many cases that have been decided against employees, but very few in court. Most of them are at the initial hearing level. That's what concerns me is the level of court interpretation. Other experts from other states have told this: that our presumption clause is very similar to that in other states, if not identical to some states. Yet, the level of court interpretation is considerably different, and that seems to be one of the root problems.

"Almost a week ago, Mr. President, I personally asked the Governor to intervene to help both sides reach a solution on this issue. I feel tonight we're lost in a mountain of details, and yet the perception of business remains this bill should not pass. I personally want to see a work comp bill passed, and perhaps the Conference Committee will be our best chance to get a bill that is at least partially acceptable.

"I want to state very clearly that my vote tonight is not a vote of no confidence in the chairman who I think has done a tremendous amount of work and has genuinely tried to listen to the concerns of all sides, but instead, is a vote to improve the bill as a Senate position for a conference committee. What really causes me to support this amendment is that I hear the cry of our people for relief on work comp, and I personally feel, as one individual, if we ignore those cries we do so at our everlasting peril. If this bill remains unchanged, I will spend the rest of this weekend trying to talk myself into whether or not I should vote for it on Third Reading in order to have an improved product come out of conference. If we have a chance to improve it, we have a chance to improve that all important perception of what we're trying to do, then I think we should take it. Thank you."

Senator Abercrombie rose to speak against the amendments as follows:

"Let's get back to some fundamentals here. This is workers' compensation. It seems to me that a word ought to be said on behalf of workers this evening before we vote, inasmuch as that's been pretty much left out of the story. What I'm driving at here, Mr. President, is that for whatever the reasons, the workers are in fear...when I say workers, we're talking about everybody. Mr. President, if you for some reason are not enamored by my remarks at this moment, drift off into space and fall off the platform there, you might find yourself entitled to workers' compensation. In fact, probably if the speeches tonight are recorded and read to the hearing officer, they're bound to give it to you. But the fact remains that when we talk about workers'

compensation we're talking about virtually everyone in terms of whether or not an injury takes place and whether that injury is work related. That's what part of the argument revolves around. So, workers have fears. The employers have fears—anguish, because they find their premiums climbing all the time. And so, we find a situation where workers have been pitted against employers, employers against their employees, and the public confused by all the discussion about presumption and all the various other words and phrases that are utilized.

"Mr. President, I think that we ought to get to some of the simple, straightforward items involved in the workers' compensation bill. I have here the work injury statistics for 1983 and 1980 by way of comparison. Let's just try and get down away from the rhetoric and all the agonizing and just get down to some of the facts of the case.

"Mr. President, you take a look at 1980 and you see the total of reported accidents—47,725. You take a look at 1983 (These are the last figures available; the 1984 report will be out shortly), you see there were 39,013. That means in the last three years the number of reported accidents have actually gone down about 8,000 cases. Now, Mr. President, you take a look at these same statistics...these are the official statistics that all of the so-called premium rates are based upon...and you'll find that more than half of all these injuries, the 47,000 in 1980, involve cuts, lacerations, punctures, sprains or strain. You find in 1983, as a matter of fact, the percentage has gone up about another three percent, more than fifty percent, about 53 percent; so it's gone up...the same exact elements involved cuts, lacerations, punctures, sprains or strains gone up over 53 percent, more than half of the reported injuries.

"Now, what are we dealing with, then, when we get to this area that now has been put forward to the public as being of such gigantic importance mental disorders, nervous system disorders, heart attacks. Let's take that. That's stress, that's emotional distress, heart attacks, vascular disorders. What do we have? Mental disorders, 2/10 of 1 percent; nervous system disorders, 1/10 of one percent; heart attacks, 1/10 of one percent. You do not even have 1/2 percent. Other reports said it was higher than this. I think all we had to do was pick up the statistics and take a look at it and you could find out what it was. Nonetheless, it comes down to 108, 21 and 46, as against 47,725 cases, and yet this looms now in the public mind as being something of gigantic importance. Has there been some tremendous increase, then, in the last three years in these areas? No, mental disorders, 159; nervous system

disorders, 36; heart attacks, 75. Don't forget in the last three years we've also increased our population and our work force has increased, as well, so if you did a percentage increase, it might even be lower than it was in 1980. In any event, it is relatively steady state with respect to these so-called notorious items. I myself was swayed by this for a while until I dug in and did a little homework.

"What I'm trying to say, Mr. President, in very direct and I hope straightforward terms is the workers are not causing the premiums to rise because the kinds of injuries being reported and the recourse available isn't changing. The number of accidents actually is going down, but the premiums for the employers is going up. There can only be one villain in this, and it's not the employers and it's not the employees; it's the insurance company.

"And that's why I'm speaking against these amendments because if I voted in total on these amendments, I'd have to vote against one of the ideas that I didn't come up with exclusively, but certainly one of the points that I put forward to the chairman of the Labor Committee, and one of the points that he was working on simultaneously and others suggested as well here in the body—the state competitive insurance fund. I made it my business to study the insurance fund in two states—Arizona and California—and I want to point out...I just happen to have the Arizona one with me on the floor here this evening. I want to point out that the California fund has been in existence for decades. It's the fund that's existed in the state through two terms of then governor and now President of the United States, Ronald Wilson Reagan, is now existing in the state that is governed by Governor George Deukmejian, both of whom are acclaimed conservative politicians, governors, and now one the President of the United States whose conservative credentials, it seems to me, are entirely in order. Arizona is the state of Senator Barry Goldwater, a candidate for President of the United States and one of the outstanding conservative, elected officials in our nation. Arizona in no way, shape or form can be seen as a state with so called liberal leanings. In that respect, both of these states maintain state funds, statewide workers' compensation insurance services.

"I won't go into the details of how these insurance systems work. I might say that the one in California is rated as one of the best in the United States of any kind of insurance coverage, as against any kind of casualty, fire, etc. kind of insurance, the workers' compensation insurance fund there.

"As for the business advocate, which I also supported and supported in a memo to the Labor Committee chairman, I would not

like to see that removed, and cannot vote for the amendments, as a result, because I refer you to nothing further than what you might be expecting to pay for your telephone. While everybody is arguing and complaining about the so-called benefits received by telephone workers, I want to point out to everybody here that the telephone company is proposing to charge you twenty-some odd dollars a month for the use of your phone and I should imagine everybody here who has a phone is awfully glad that there's a consumer advocate that's going to try to represent all of us before the Public Utilities Commission with respect to whether or not those rate increases should go in. And, I have contacts also with lots of business people who've talked to me and my impression from that is that once we have this kind of discussion that they're only too anxious to have an advocate for them. I don't know if it's going to work entirely to my satisfaction, or to yours, Mr. President, but I think it's better to have an advocate there whose duty it is to try to see to it that insurance rates are not higher than they should be than to have no one there at all, and leave it to the tender mercies of the people who have been running it to this point.

"I want to say in conclusion that one of the arguments made to me was: well, Senator Abercrombie, you may be right about the insurance state fund, you may even be right about the business advocate—right in the sense that we should give it a try—but look whose going to run it, whose going to do it. Well, Mr. President, it's like the Constitution. The Constitution doesn't guarantee good government; it guarantees the opportunity for good government. I don't think that this bill is going to guarantee that the administration of workers' compensation is going to be improved. What it guarantees is the opportunity for it, and if the voters of this state are dissatisfied with the manner in which the administration is going to conduct it, they can let the elected officials of the state know at the polls. There's no question about that, and I think in 1986 that opportunity will readily be made available.

"In the meantime, it's up to us as legislators who do not do the administration. We're not responsible for the administration except indirectly to try to set the legislative framework within which that administration should take place. And I think that with the fraud provisions and some of the other medical provisions that are in this bill at the present time, that this is a good faith effort toward seeing to it that context is established on a rational basis. Whether it works or not remains to be seen and we should obviously be monitoring that.

"In the meantime, then, I do not think

that it is possible for us at this stage, then, to vote these items out of the bill as presented in the amendment package. I am an advocate of these items. I think that they are well documented in terms of being supportable in the available evidence and I think, therefore, that we should vote the bill through, and to the degree that further amendments are necessary and can be proved to be useful they should be taken up in conference. As things stand now, however, with this bill before us tonight and these group of amendments I do not see any other recourse other than to vote for the bill."

Senator Henderson rose to speak in favor of the amendments as follows:

"Mr. President, we've heard a lot of arguments, both for and against the amendments, but I submit to you that if we are to have meaningful workers' compensation reform in the State of Hawaii this year, we have to adopt these amendments.

"To allow a business advocate to be hoisted upon the business community is an outrage. We didn't hear one businessman testify that they needed a business advocate.

"We already have an insurance commissioner as far as studying insurance rates. If we need to beef up the insurance commissioner's staff, then that's what we should do. We certainly shouldn't create a whole new bureaucracy to hire attorneys, actuaries and what have you in this state.

"The state fund— we don't need a state fund, and if we do, we should find out from a study whether we need one.

"The state's had a lot of experience of getting in the insurance business. I give you Thrift Guarantee Corporation with a \$27 million liability tail on it. I give you the Patient Compensation Fund, a malpractice insurance fund started by the State of Hawaii. It went bankrupt with a \$7 million tail on it. We don't need to get involved in insurance business and if we do, we certainly should study the situation before getting into it. We shouldn't just jump right in and be over our heads with first step.

"Mr. Haldi came up with some 32 recommendations. The chairman of Ways and Means and the chairman of the Labor Committee have indicated that they've incorporated ten into the bill. That's less than a third of Haldi's recommendations, and some of those recommendations were only partially adopted. So, we haven't come close to adopting the recommendations that Mr. Haldi said we need in order to get our workers' compensation law back on track. Mr. Haldi recommended a two-working-day waiting period, not to exceed four days with

no recapture. We're proposing two calendar days because the Director of the Department of Labor and Industrial Relations said that would be easier for him to administer. Mr. Haldi proposed a 26 week recap on rehabilitation plan. We're proposing a 52 week recap.

"Mr. President, there are just so many things that need to be addressed in our workers' compensation law, but the most primary issue is that of presumption. Unless this state gets back on track, unless we get our laws back, our presumption law, Chapter 386, Section 85, unless we get that back to where it was prior to the 1963 amendment, and I submit to you that there is not one word in the standing committee report or in the Legislative Auditor's report, the Legislative Reference Bureau report, as to why that language was changed, we will continue to have problems with our Workers' Compensation Law. There's no justification for the change, and it took Hawaii right away from the mainstream of workers' compensation laws, the New York law, and the Federal law. It took us right away from it, and therein started our problem with workers' compensation. Believe me, that one change is the cause of the problem we've had with workers' compensation.

"So, I urge the members of the Senate to vote for these amendments. If you want to see real reform of the workers' compensation, we need to adopt these amendments. Thank you very much."

Senator Kawasaki rose again to speak in favor of the amendments as follows:

"Mr. President, it's ironic that Senator Henderson and I both speaking in favor of adoption of these amendments, but I do want to clearly define the reasons why I'm asking for the adoption of the amendments.

"First of all, I want it very clearly stated here that I advocate the creation of the state fund because I'm in complete agreement with Senator Abercrombie when he says the primary problem for the premium rates being so high is the greed of the insurance companies. That's very clear from our experience in the last five years. However, I disagree, as I said, entirely with the position taken by the Minority Leader saying that the business advocate is not needed.

"I think, notwithstanding some of the defects of some of the amendments here, there is value to be gained by adoption of these amendments so a full discussion can be had, and I'd like to request of you, Mr. President, that in the conference committee that is sure to follow between the House and the Senate in settling this issue that you do appoint Senators on the Ways and Means Committee who represent the Minority

point of view advocating these amendments to be adopted. That at least will assure us that discussion would take place between the House and the Senate, discussion on the need for some of these amendments that may be valuable and needed."

Senator Yamasaki spoke further against the amendments as follows:

"Mr. President, I forgot to explain that in speaking in favor of the bill but against the amendment that from 1972 to 1982, during the eleven-year period of the workmen's compensation, the actual premiums paid amounted to \$681,359,101, which is 100 percent of the premium.

"From 1972 to 1982 the insurers' actual paid claims amounted to \$339,452,952, approximately 50 percent. Also incurred but unpaid claims, contingent reserves were \$78,718,438 — 26 percent; and fee retention, \$163,177,211 — 24 percent of the total income 100 percent and it looks like this. The actual premiums paid, \$339,452,000 — 50 percent; retention, \$163,000,000 — 24 percent; incurred, \$178,718,000.

"The money for unpaid but incurred claims are kept in a contingent reserve fund for later payment. Pending payment, this reserve is invested to generate income. It is this invested income that should be reflected in the premium rates, and if the state fund is accepted, the business advocate is also accepted, we will find a tremendous decrease in the premium rates. The premium rates are increased because of increased benefits, increased retention and because invested income is not credited against premium price.

"Therefore, Mr. President, I feel strongly that by defeating the amendment and passing Senate Draft 2 would provide the kind of tentative cost reduction to the employers, and therefore I'd like to ask you and the members of this body, to defeat the amendment and have Senate Draft 2 pass on Monday and sent to the House for further consideration."

Senator McMurdo rose again to speak in favor of the amendments as follows:

"Mr. President, while we're talking about money being spent, I would like to remind the members of this body that Labor Director, Joshua Agsulud, said that to put this bill into implementation would cost at a minimum over \$1 million, which will ultimately be paid for by the taxpayers of the state. Thank you."

The motion to adopt the amendment was put by the Chair and, Roll Call vote having been requested, failed to pass on the following showing of Ayes and Noes:

Ayes, 8. Noes, 16 (Abercrombie, Aki, Cayetano, Chang, Fernandes Salling, Hagino, Holt, B. Kobayashi, Kuroda, Machida, Matsuura, Mizuguchi, Solomon, Toguchi, Yamasaki and Wong). Excused, 1 (Young).

On motion by Senator Yamasaki, seconded by Senator Mizuguchi and carried, Stand. Com. Rep. No. 853 was adopted and H.B. No. 463, H.D. 2, S.D. 2, entitled: "A BILL FOR AN ACT RELATING TO WORKERS' COMPENSATION," was placed on the calendar for Third Reading on Monday, April 1, 1985.

At 10:46 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:09 o'clock p.m.

Stand. Com. Rep. No. 893 (H.B. No 1061, H.D. 1, S.D. 1):

By unanimous consent, Stand. Com. Rep. No. 893 and H.B. No. 1061, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR," were recommitted to the Committee on Government Operations.

Stand. Com. Rep. 910 (H.B. No. 40, S.D. 1):

Senator Cobb moved that Stand. Com. Rep. No. 910 be adopted and H.B. No. 40, S.D. 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Senator B. Kobayashi.

Senator Kawasaki rose to speak against the bill as follows:

"Mr. President, this is the bill, amazingly, that emanates from the committee called Consumer Protection Committee. This is the bill that removes all ceiling on interest rates chargeable by financial institutions on credit cards, on retail installment sales...it just amazes me. If there ever was a proposition to really subvert the interests of the consumer, I think this is the bill. And in view of the fact that we don't have too much time until midnight, I'll cut the discussion short, but I am prepared to speak against this and later, on 924, on Monday night till hell freezes over."

The motion was put by the Chair and carried, the report of the Committee was adopted and H.B. No. 40, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO INTEREST," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Stand. Com. Rep. 924 (H.B. No. 1360, H.D. 1):

Senator Cobb, moved that Stand. Com.

Rep. No. 924 be adopted and that H.B. No. 1360, H.D. 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Senator B. Kobayashi.

Senator Kawasaki rose to speak against the bill as follows:

"This is the bill that I thought was well taken care of two weeks when in the Majority caucus we unanimously recommitted this back to the committee. However, the House bill came over and in the interim, apparently, the big guns from Merchant Street, specifically Alexander and Baldwin company, have visited many Senators' offices and have been successful in convincing some of these people that we should do away with the only vehicle that allows minority stockholders in any public corporation any chance to get information from possibly a minority director on the board of directors.

"This is generally stated to be the 'anti-Weinberg' bill. I don't even know Mr. Weinberg, but what this bill intends to do is to do away with what is a requirement, still today, in eighteen states of the Union that allows for cumulative voting, which is a device that assures minority stockholders of any corporation the ability to elect minority directors to the board of directors of any corporation. This is the only device that assures shareholders generally in a corporation the ability to get information that may be very relevant and pertinent to their decision whether to sell their stocks or hold their stocks or do whatever they want to with it. For us to enact a law to deny minority shareholders this ability to get legitimate information on stock companies in which they hold shares, it just amazes me. I would suppose that if this kind of proposition prevailed over here, Mr. President, you would not have had the problem or the benefit of input from dissidents that you've had in the past few years.

"This bill just amazes me and I'm at a loss to understand why this passes other than as Merchant Street has said in a February 24th meeting of A&B held in San Francisco at which time they sprung this proposition to do away with cumulative voting in A&B elections of directors. The A&B directors said to themselves, "we will do this, we'll disallow cumulative voting because we know we can get the State Legislature, when they convene to pass a law favorable to us to disallow cumulative voting. I didn't think that the 'Big Five' merchants had this much clout around here, but I guess I'm rather naive.

"In any case on Monday night we'll be able to speak on this particular proposition, as I said, till hell freezes over."

Senator McMurdo also rose to speak on

the measure as follows:

"Mr. President, I fully concur with the speaker to my left here. There's another point that made me vote 'I do not concur' on this, and that is, that there is still the possibility that this is simply a piece of legislation that we're passing because of one man's interest in this particular stock. And that is another thing that concerns me, when we start passing that kind of legislation."

The motion was put by the Chair and carried, the report of the Committee was adopted and H.B. No. 1360, H.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985, on the following showing of Ayes and Noes:

Ayes, 21. Noes, 3 (Abercrombie, McMurdo and Kawasaki). Excused, 1 (Young).

At 11:15 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:52 o'clock p.m.

Stand. Com. Rep. No. 925 (H.B. No. 1366, S.D. 1):

Senator Cobb moved that Stand. Com. Rep. No. 925 be adopted and that H.B. No. 1366, S.D. 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Senator B. Kobayashi.

Senator Abercrombie rose to speak on the bill as follows:

"Mr. President, if I'm not mistaken, it has virtually the same wording as the other two bills which are to come, which have as amendments what is in fact and in substance the language in Standing Committee Report 925, so I speak as I say to vote for 925. But the idea that if that passes, then I would not like to see the same language incorporated into the other two bills because they involve important legislation and I hate to see the legislation perhaps jeopardized by some move which has to do with a separate bill. So, if we vote positively on this bill, it would seem to me, then, that there's on good reason to jeopardize the other two bills that contain essentially the same language as in this bill as part of many, many other elements in the other bills that need to be considered in conference."

The motion was put by the Chair and carried, the report of the majority of the Committee was adopted and H.B. No. 1366, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April

1, 1985.

Stand. Com. Rep. No. 927 (H.B. No. 346, H.D. 1, S.D. 1):

Senator Cobb moved that Stand. Com. Rep. No. 927 be adopted and H.B. No. 346, H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading on Monday, April 1, 1985.

Senator Matsuura then offered the following amendment (Amendment No. 1 to H.B. No. 346, H.D. 1, S.D. 1):

"Section 1. House Bill No. 346, H.D. 1, S.D. 1 is amended as follows:

1. By deleting entirely Section 3 on pages 28, 29, and 30.
2. By deleting entirely Section 4 on page 30.
3. By renumbering Section 5 as Section 3 and amending the renumbered Section 3 to read:

'SECTION 3. This Act shall take effect on July 1, 1987.'"

Senator Matsuura moved that the amendment be adopted, seconded by Senator Toguchi.

Senator Matsuura explained the floor amendment as follows:

"Mr. President and members of the Senate, I rise to speak in favor of this amendment.

"I am sure that you are familiar with this provision which passed this body with significant opposition several weeks ago. This bill presently faces much opposition in the House and most likely will not pass that body.

"For us to piggy back this same provision on three other House bills and put us in a position to vote for a bill with this unrelated amendment is not being fair to the members of the Senate.

"The Senate amendment deletes any reference to membership in a dental service corporation. Dental Service Corporation today requires that members be dentists.

"As I understand it, this law was enacted over twenty years ago by dentists to provide dental insurance for the public. Prior to this enabling legislation, dental insurance was not available. Membership in this corporation is composed of dentists who took the risk for the viability of the plan; hence, the high participation requirement of the dentist (one fourth of the dentists in the state).

"It is argued that this amendment would provide for more competition. The fact is, presently there is no law that restricts anyone from marketing dental plans. In fact, those who testified for this provision in the committee, the American Dental Plan and the Diversified Dental Plan, are now presently operating.

"Mr. President, I am most reluctant to amending any dental service laws because dental plan organizations are not regulated in Hawaii. Senate Draft 1, as amended does not specify who would be members of the corporation. As I read this draft, anyone can form a dental service corporation. This is what really concerns me. How is the consumer protected? I see a bonding requirement has been included; however, I don't think that is enough. Sufficient reserves must also be maintained to insure that services are rendered for the thousands of monthly premium collected.

"What guarantees are there to protect the consumer after a plan folds as in many other states?

"Mr. President, I am personally concerned with this situation and for this very reason and I introduced Senate Bill 1241 in this session to regulate all dental plan organizations. This is the approach we should take to benefit the consumer.

"In closing, Mr. President and members of the Senate, let's consider the merits of the bill and not resurrect an amendment which does not accomplish the stated objectives to provide better dental care."

The motion to adopt the amendment was put by the Chair and, Roll Call vote having been requested, carried on the following showing of Ayes and Noes:

Ayes, 13. Noes, 10 (Aki, Cayetano, Chang, Cobb, Fernandes Salling, Hagino, Henderson, B. Kobayashi, McMurdo, and Solomon). Excused, 2 (Kawasaki and Young).

Senator Matsuura moved that Stand. Com. Rep. No. 927 be received and placed on file, seconded by Senator Toguchi and carried.

On motion by Senator Matsuura, seconded by Senator Toguchi and carried, H.B. No. 346, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

Stand. Com. Rep. No. 928 (H.B. No. 347, H.D. 1, S.D. 1):

Senator Cobb moved that Stand. Com. Rep. No. 928 be adopted and H.B. No. 347,

H.D. 1, as amended in S.D. 1, pass Second Reading and be placed on the calendar for Third Reading, seconded by Senator B. Kobayashi.

Senator Matsuura then offered the following amendment (Amendment No. 1 to H.B. No. 347, H.D. 1, S.D. 1):

"Section 1. House Bill No. 347, H.D. 1, S.D. 1 is amended as follows:

1. By deleting entirely Section 4 on pages 103, 104, and 105.
2. By renumbering Section 5 as Section 4.
3. By renumbering Section 6 as Section 5 and amending the renumbered Section 5 to read:

'SECTION 5. This Act shall take effect on July 1, 1987.'

Senator Matsuura moved that the amendment be adopted, seconded by Senator Toguchi.

The motion to adopt the amendment was put by the Chair and, Roll Call vote having been requested, carried on the following showing of Ayes and Noes:

Ayes, 13. Noes, 10 (Aki, Cayetano, Chang, Cobb, Fernandes Salling, Hagino, Henderson, B. Kobayashi, McMurdo and Solomon). Excused, 2 (Kawasaki and Young).

Senator Matsuura moved that Stand. Com. Rep. No. 928 be received and placed on file, seconded by Senator Toguchi and carried.

On motion by Senator Matsuura, seconded by Senator Toguchi and carried, H.B. No. 347, H.D. 1, S.D. 1, entitled: "A BILL FOR AN ACT RELATING TO CORPORATIONS," passed Second Reading and was placed on the calendar for Third Reading on Monday, April 1, 1985.

At 11:58 o'clock p.m., the Senate stood in recess subject to the call of the Chair.

The Senate reconvened at 11:59 o'clock p.m.

ADJOURNMENT

At 12:00 o'clock midnight, on motion by Senator Kuroda, seconded by Senator Soares and carried, the Senate adjourned until 11:00 o'clock a.m., Monday, April 1, 1985.