

FOURTEENTH DAY

Wednesday, February 08, 2012

The House of Representatives of the Twenty-Sixth Legislature of the State of Hawaii, Regular Session of 2012, convened at 12:07 o'clock p.m., with Vice Speaker Manahan presiding.

The invocation was delivered by Representative Cindy Evans, after which the Roll was called showing all Members present with the exception of Representative C. Lee, who was excused.

By unanimous consent, reading and approval of the Journal of the House of Representatives of the Thirteenth Day was deferred.

INTRODUCTIONS

The following introduction was made to the Members of the House:

Vice Speaker Manahan introduced the 8th grade students of St. Anthony School in Kalihi, and their teachers and chaperones.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 177-12) recommending that H.B. No. 2257, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2257, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 178-12) recommending that H.B. No. 2258, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2258, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PROFESSIONAL AND VOCATIONAL LICENSING," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 179-12) recommending that H.B. No. 2409, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2409, entitled: "A BILL FOR AN ACT RELATING TO CONSUMER PROTECTION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 180-12) recommending that H.B. No. 2639, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2639, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HIGHER EDUCATION," passed Second Reading and was referred to the

Committee on Higher Education, with Representative C. Lee being excused.

Representative Aquino, for the Committee on Public Safety & Military Affairs presented a report (Stand. Com. Rep. No. 181-12) recommending that H.B. No. 2681, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2681, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources, seconded by Representative Evans.

Representative Belatti rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Awana rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Wooley rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2681, entitled: "A BILL FOR AN ACT RELATING TO ELECTRIC GUNS," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources, with Representative Belatti voting no, and with Representative C. Lee being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 182-12) recommending that H.B. No. 2106, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2106, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative M. Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 2106 - Relating to Student Activity Funds. This bill allows public schools to claim student activity funds left in the school by a graduating class immediately after the graduation of the class, rather than 5 years after the class graduates as provided under current law.

"Allowing these funds to go into the General School Fund in the Local School Non-Appropriated Account immediately after all graduation expenses are paid will allow money to be spent on students that contributed to the fund instead of allowing the funds to be stockpiled for future uses that are not clearly defined. For this reason, I urge the Members' support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2106, entitled: "A BILL FOR AN ACT RELATING TO STUDENT ACTIVITY FUNDS," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 183-12) recommending that H.B. No. 2305, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2305, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 184-12) recommending that H.B. No. 2510, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2510, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII STATE PUBLIC LIBRARY SYSTEM," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 185-12) recommending that H.B. No. 2511, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2511, entitled: "A BILL FOR AN ACT RELATING TO LIBRARIES," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 186-12) recommending that H.B. No. 2512, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2512, entitled: "A BILL FOR AN ACT RELATING TO GOVERNMENT PUBLICATIONS," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Takumi, for the Committee on Education presented a report (Stand. Com. Rep. No. 187-12) recommending that H.B. No. 2046, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2046, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Marumoto rose to speak in support of the measure, stating:

"Mr. Speaker. In support. Thank you. While generally I am opposed to the creation of special funds and fees, I support the creation of the Adult and Community Education Program Special Fund, which would supplement the legislative appropriations because Kaimuki and Kaiser Adult Education School may go out of existence.

"The Board of Education has not requested funding for this program in the coming fiscal year. In order to save the program the school has to come up with a plan for self sufficiency or a degree of self sufficiency, so this special fund and fees, voluntary fees from the people who wish to take courses will help keep the school in existence. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2046, entitled: "A BILL FOR AN ACT RELATING TO ADULT AND COMMUNITY EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 188-12) recommending that H.B. No. 1973, as amended in HD 1, pass Second Reading and be referred to the Committee on Education.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1973, HD 1, pass Second Reading and be referred to the Committee on Education, seconded by Representative Evans.

Representative Awana rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. I stand in strong support and would like to submit written comments."

Representative Awana's written remarks are as follows:

"Mr. Speaker, I stand in strong support. This measure would allow public trust lands to provide funding for Hawaiian language immersion programs. HB 1973, HD1 is a measure important to the Hawaiian speaking community. We must not forget that English and Hawaiian are the two recognized languages in our State. Mr. Speaker, this is an issue of parity. Testimony that was provided by the Hawaiian Immersion community was compelling. Their challenges are great, yet they continue to persevere. The funds received will help fill the existing gap that has left them behind English speaking schools. Thank you, Mr. Speaker."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1973, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HAWAIIAN LANGUAGE IMMERSION PROGRAMS," passed Second Reading and was referred to the Committee on Education, with Representative C. Lee being excused.

Representative Hanohano, for the Committee on Hawaiian Affairs presented a report (Stand. Com. Rep. No. 189-12) recommending that H.B. No. 2532, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2532, HD 1, entitled: "A BILL FOR AN ACT RELATING TO A DISCOUNT AND SAVINGS PROGRAM," passed Second Reading and was referred to the Committee on Economic Revitalization & Business, with Representative C. Lee being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 190-12) recommending that H.B. No. 2595, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2595, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SPECIAL PURPOSE REVENUE BONDS TO ASSIST DAM AND RESERVOIR OWNERS," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 191-12) recommending that H.B. No. 2358, as amended in HD 1, pass Second Reading and be referred to the Committee on Public Safety & Military Affairs.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2358, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE BUILDING CODE," passed Second Reading and was referred to the Committee on Public Safety & Military Affairs, with Representative C. Lee being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 192-12) recommending that H.B. No. 1793, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1793, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONSERVATION AND RESOURCES," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Chang, for the Committee on Water, Land, & Ocean Resources presented a report (Stand. Com. Rep. No. 193-12) recommending that H.B. No. 1816, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1816, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 194-12) recommending that H.B. No. 2011, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2011, HD 1, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

Representative Jordan rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2011, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INVOLUNTARY PSYCHIATRIC HOSPITALIZATION," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 195-12) recommending that H.B. No. 2817, pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2817, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH INSURANCE," passed Second Reading and was referred to the Committee on Economic Revitalization & Business, with Representative C. Lee being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 196-12) recommending that H.B. No. 2665, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2665, HD 1, entitled: "A BILL FOR AN ACT RELATING TO STROKE TREATMENT," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representative Yamane, for the Committee on Health presented a report (Stand. Com. Rep. No. 197-12) recommending that H.B. No. 1962, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 1962, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PSEUDOEPHEDRINE," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 198-12) recommending that H.B. No. 1694, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1694, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Ward rose to speak in opposition to the measure, stating:

"Mr. Speaker, I rise in opposition to this measure. Mr. Speaker, this is a tax by any other name. Even though we call it the internet tax, and with all

due respect to the CPA from Manoa, I have a couple of words to say. First of all, that our Governor has said, 'No new taxes.' This is a tax increase. Our Speaker has said, 'No new taxes.' This is a tax increase. Everybody in this election will not want to have taxes, and this is going to be a tax increase on everybody who shops.

"The other problem with this bill is that the economy is still fragile and hardworking families and small businesses cannot afford another tax. And even the Department of Taxation recommended that the Tax Review Commission, not us, look at this first. The Tax Review Commission. So we're kind of putting the horse one step ahead of the cart here, by not doing what was recommended by even the Tax Department.

"So Mr. Speaker, what's the hurry? What's the hurry to keep pushing this? There's federal legislation called the Marketplace Fairness Act that would provide us with the mechanism, constitutionally that if we want to do this, we could do it. So I say, this is, again, the 'nose of the camel' into internet taxation, which, when we get into that, we never know what's going to happen to the internet. What if we want to have a City and County internet tax? Or we're going to have a DHL wire-in tax on the internet. And I know when, or if he does, or someone does stand up and say, 'What about the fact that Amazon is doing this in other states?' Well there's a big federal court case that hasn't been decided yet, that will decide that. Yet we're trying to pre-empt it and get ahead of it.

"So I say let's slow down. Let's give it to the Tax Commission. Let's pursue it. Let's see what's available. But right now I don't think it's good public policy for us to pass this bill. Thank you, Mr. Speaker."

Representative Nishimoto rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Thielen rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Fontaine rose and asked that the Clerk record a no vote for him, and the Chair "so ordered."

Representative Pine rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Ching rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Belatti rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Johanson rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Hanohano rose and asked that the Clerk record a no vote for her, and the Chair "so ordered."

Representative Takai rose and asked that the Clerk record an aye vote with reservations for him, and the Chair "so ordered."

Representative Chong rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. This is a fairness issue. This is a fairness bill. This is a pro-small business bill. People may be out there watching this and thinking, 'How can this tax be a pro-business bill.' The reason is, for everyone that does business in the State, who has a shop, whether it's a 'mom and pop' sporting goods store or whether it's Sport's Authority; whether it's a small 'mom and pop' selling hardware items like City Mill, or if it's Lowe's or Home Depot. If you have physical presence in this State, you have to pay general excise tax.

"You also pay a lot of other taxes, whether it be on your electricity, or whether it be your real property taxes to support community services. You pay those taxes. For those businesses who do not have presence in this State, but they sell online, they do not have to pay these taxes. And when you talk to most businesses, what they want is a fair playing field. What this bill does is it makes the playing field level now, because it is unfair

that if you have presence in this State or a physical store and you have to pay taxes, and somebody like Amazon does not.

"Is that fair to the businesses here who employ people? Who provide healthcare? Who support our little league and our schools? That they have to pay and those others don't? I don't think so.

"I think this is what we need to take a look at. Is Congress looking at this kind of legislation? Yes. There are several pieces of legislation, but it seems difficult that any of it is going to be passed anytime soon.

"So what do we tell the businesses who pay taxes? Just wait? Wait while your sales go out the door to mainland sales providers who do not pay taxes, and are taking away your business, and possibly taking away jobs from local residents? I don't think so. So I encourage the Members to think about it. They should look at the bill before they have their reservations. Thank you."

Representative Marumoto rose to speak in opposition to the measure, stating:

"Mr. Speaker, I am in opposition to this measure. Now, at present, Hawaii does not pay any tax on internet sales. We don't pay the 4.5% percent use tax unless there is a nexus. Now this bill creates that nexus. It is a big money raiser. It may be fair to business, but under this bill, Hawaii consumers will end up paying millions more. Thank you."

Representative Ching rose to respond, stating:

"Mr. Speaker, still in opposition. And I very much understand the Majority Leader's comments on helping small business. I realize that they may feel that they're paying taxes, and internet sellers aren't. The question becomes though for our consumers, for our people. For the people to do what they want, what they need to do to have their adequate choice. What happens is there are a lot of things that you cannot get in the stores that we have here in Hawaii. So people are kind of forced to go on internet for certain things.

"Have you ever checked postage on that? It's huge, because of where we live. So it's not like it's often becoming that much of a huge difference. But the important thing is that our people can get the items that they need. And yes, I think the solution is that we should lower our taxes on our small businesses. So with that, I would like to submit additional written comments, and I'm still in opposition, Mr. Speaker."

Representative Ching's written remarks are as follows:

"Thank you, Mr. Speaker. I stand in opposition of H.B. 1694-Relating to Taxation, which would require the collection of use taxes by sellers of tangible personal property, including purchases by an internet link or web site, or related services in the State on behalf of the seller. This bill includes those who engage in business in the State or sell tangible items to people in the State. Electronic and catalogue purchases would be taxed regardless of the seller's location.

"This bill increases the cost of living for our residents. Hawaii consumers already pay inflated prices. Added shipping costs, out-of-state taxes and extra packaging are among the exacerbated costs to consumers.

"The goal is simple; we must protect our residents. The costs are already exponentially higher than retail, due to the geographic location of our home. Let us not compromise choice, quality of life, and lower cost of living for our residents through increased taxes AND shipping. Thank you."

Representative Choy rose to speak in support of the measure, stating:

"Mr. Speaker, in strong support. Just in rebuttal to the good lady from Waiālae. If you do buy something on the internet, you're supposed to pay your 4 or 4.5% taxes. So this is a tax compliance move. This is not an additional tax. It never was. This is not a tax on the internet. It's for purchases that you made over the internet, and it's something that you're

supposed to have paid. By not supporting this bill, who are we protecting? Who are we protecting by not supporting this particular bill? The people who are not paying their taxes. And since this is Second Reading, I'll save my other rants for the Third Reading. Thank you."

Representative Ward rose to respond, stating:

"Also in opposition again, and with a brief retort to the learned gentleman from Manoa. I can say unabashedly that I'm protecting my constituents. I'm protecting those who, if we remember the latest statistic, 57% of Hawaii's families cannot send their kids to school with lunch money, without a subsidy. Hawaii is hurting, and it's not the elite who go on the internet. It's those who are trying to make it through. In a way, the internet is kind of like a WalMart, or a Costco, or something where you can get something quickly and you can shop around and get it least expensively.

"But I want to go back to the Majority Leader's point about this is about a fair playing field. Mr. Speaker, this is a fair playing field, because every Hawaii retailer, and I speak as 15 years at the Royal Hawaiian Hotel as a retailer, has the capacity to do internet and ship overseas to the huge market on the mainland, and the huge market throughout the world. And having filed my income tax, my sales tax every month, there's an exemption for the GET tax. If it goes outside of the State of Hawaii, you do not pay any tax.

"So those people that we say are hurting, who are the 'brick and mortar,' they have the same opportunity that the retailers on the mainland are being used as the providers of services and goods for the people of Hawaii. So it's an even playing field. Let's call a spade a spade. It's a tax increase, no matter how we dress it up. Like I think there was a Vice Presidential candidate who said, 'No matter how much lipstick you put on a pig, it's still going to be a pig.' This is a tax increase. Thank you."

Representative Herkes rose to speak in support of the measure, stating:

"Thank you, Mr. Speaker. In support. I'd be interested to know, all of those people who oppose the bill, how many of them purchase online."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1694, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TAXATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Ching, Fontaine, Hanohano, Marumoto, Nishimoto, Thielen and Ward voting no, and with Representative C. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 199-12) recommending that H.B. No. 1969, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 1969, HD 1, pass Second Reading and be referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, seconded by Representative Evans.

Representative Har rose to disclose a potential conflict of interest, stating:

"Mr. Speaker. May I request a ruling on a potential conflict? At my law firm I represent subcontractors and general contractors. Thank you," and the Chair ruled, "no conflict."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 1969, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTRACTS," passed Second Reading and was referred jointly to the Committee on Consumer Protection & Commerce and the Committee on Judiciary, with Representative C. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 200-

12) recommending that H.B. No. 2013, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2013, HD 1, entitled: "A BILL FOR AN ACT RELATED TO MIXED MARTIAL ARTS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representative McKelvey, for the Committee on Economic Revitalization & Business presented a report (Stand. Com. Rep. No. 201-12) recommending that H.B. No. 2298, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Judiciary and the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2298, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PRIVACY RIGHTS," passed Second Reading and was referred jointly to the Committee on Judiciary and the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representatives McKelvey and Yamane, for the Committee on Economic Revitalization & Business and the Committee on Health presented a report (Stand. Com. Rep. No. 202-12) recommending that H.B. No. 1896, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committees was adopted and H.B. No. 1896, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representative C. Lee being excused.

Representative Keith-Agaran, for the Committee on Judiciary presented a report (Stand. Com. Rep. No. 203-12) recommending that H.B. No. 2438, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2438, HD 1, pass Second Reading and be referred to the Committee on Finance, seconded by Representative Evans.

Representative Keith-Agaran rose to disclose a potential conflict of interest, stating:

"Mr. Speaker. I request that I be excused from voting on House Bill 2438. One of the attorneys at my law firm represents one of the plaintiffs whose settlement with the State is being funded by this bill."

The Chair responded, stating:

"You are excused on this measure."

Representative Belatti rose to disclose a potential conflict of interest, stating:

"Thank you, Mr. Speaker. I have the same request to be excused from House Bill No. 2438, as my law firm represents plaintiffs who will benefit from payments out of this bill."

The Chair responded, stating:

"You are excused on this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2438, HD 1, entitled: "A BILL FOR AN ACT MAKING EMERGENCY APPROPRIATIONS FOR CLAIMS AGAINST THE STATE, ITS OFFICERS, OR ITS EMPLOYEES," passed Second Reading and was referred to the

Committee on Finance, with Representatives Belatti, Keith-Agaran, and C. Lee being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 204-12) recommending that H.B. No. 2193, pass Second Reading and be referred to the Committee on Judiciary.

Representative Chong moved that the report of the Committee be adopted, and that H.B. No. 2193, pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Evans.

Representative M. Lee rose in support of the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative M. Lee's written remarks are as follows:

"Mr. Speaker, I rise in support of HB 2193 - Relating to Adult Guardianship and Protective Proceedings Jurisdiction. The purpose of this measure is to address the challenges Hawaii has encountered in dealing with issues surrounding interstate adult guardianships and protective orders.

"Adoption of this Act will establish guidelines to determine which court, in this State or another state, has jurisdiction to appoint a guardian or conservator for an incapacitated adult and to determine the disposition of out-of-state guardianship and protective orders thereby ensuring that only one state has jurisdiction at any one time. This process provides uniformity and reduces conflicts among states. For this reason, I urge the Members' support."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 2193, entitled: "A BILL FOR AN ACT RELATING TO ADULT GUARDIANSHIP AND PROTECTIVE PROCEEDINGS JURISDICTION," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 205-12) recommending that H.B. No. 2351, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2351, HD 1, entitled: "A BILL FOR AN ACT RELATING TO APPROPRIATIONS TO THE JUDICIARY," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 206-12) recommending that H.B. No. 2448, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2448, HD 1, entitled: "A BILL FOR AN ACT RELATING TO MEDICAID," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Mizuno, for the Committee on Human Services presented a report (Stand. Com. Rep. No. 207-12) recommending that H.B. No. 2426, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2426, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD VISITATION," passed Second Reading and was referred to the Committee on Judiciary, with Representative C. Lee being excused.

Representative Brower, for the Committee on Tourism presented a report (Stand. Com. Rep. No. 208-12) recommending that H.B. No. 2673, as amended in HD 1, pass Second Reading and be referred to the Committee on Water, Land, & Ocean Resources.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2673, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TOURISM," passed Second Reading and was referred to the Committee on Water, Land, & Ocean Resources, with Representative C. Lee being excused.

SUPPLEMENTAL CALENDAR #1

REPORTS OF STANDING COMMITTEES

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 209-12) recommending that H.B. No. 2576, pass Second Reading and be referred to the Committee on Economic Revitalization & Business.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2576, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY LAW," passed Second Reading and was referred to the Committee on Economic Revitalization & Business, with Representative C. Lee being excused.

Representative Rhoads, for the Committee on Labor & Public Employment presented a report (Stand. Com. Rep. No. 210-12) recommending that H.B. No. 2096, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Chong, seconded by Representative Evans and carried, the report of the Committee was adopted and H.B. No. 2096, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMPLOYMENT SECURITY," passed Second Reading and was referred to the Committee on Finance, with Representative C. Lee being excused.

ORDINARY CALENDAR

INTRODUCTION OF RESOLUTIONS

By unanimous consent, the following concurrent resolution (H.C.R. No. 41) was referred to Printing and further action was deferred:

H.C.R. No. 41, entitled: "HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO PERFORM A SUNRISE ANALYSIS OF THE REGULATION OF THE PROFESSION OF MUSIC THERAPY," was offered by Representative Aquino.

ANNOUNCEMENTS

COMMITTEE ASSIGNMENTS

The following measures were referred to committee by the Speaker:

<u>H.C.R.</u> <u>Nos.</u>	<u>Referred to:</u>
39	Jointly to the Committee on Transportation and the Committee on Public Safety & Military Affairs
40	Committee on Transportation, then to the Committee on Finance

<u>S.B.</u> <u>Nos.</u>	<u>Referred to:</u>
2205	Committee on Judiciary, then to the Committee on Finance
2206	Committee on Judiciary, then to the Committee on Finance

COMMITTEE REASSIGNMENTS

The following measures were re-referred to committee by the Speaker:

<u>H.B.</u> <u>Nos.</u>	<u>Re-referred to:</u>
2228, HD1	Committee on Labor & Public Employment, then to the Committee on Judiciary
2300, HD1	Committee on Hawaiian Affairs, then to the Committee on Finance
2612	Committee on Transportation, then to the Committee on Finance
2788	Committee on Tourism, then to the Committee on Finance

ADJOURNMENT

At 12:35 o'clock p.m., on motion by Representative Evans, seconded by Representative Pine and carried, the House of Representatives adjourned until 12:00 o'clock noon tomorrow, Thursday, February 09, 2012. (Representative C. Lee was excused.)

OTHER COMMUNICATIONS

A copy of the following Senate Communication to the Governor was received by the Clerk:

"February 8, 2012

The Honorable Neil Abercrombie
Governor of the State of Hawaii
State Capitol
Honolulu, Hawaii 96813

Dear Governor Abercrombie:

In accordance with the provisions of Article XVII, Section 3 of the Hawaii State Constitution, written notice is hereby given of the final form of the following bill, a copy of which is attached hereto:

S.B. No. 2209
"PROPOSING AN AMENDMENT TO ARTICLE VI, SECTION 4, OF THE HAWAII STATE CONSTITUTION TO REQUIRE THE JUDICIAL SELECTION COMMISSION TO DISCLOSE THE NAMES OF AND CERTAIN INFORMATION REGARDING ACTIVE NOMINEES AND APPLICANTS TO FILL JUSTICE AND JUDGE VACANCIES."

Respectfully,
/s/ Carol T. Taniguchi
CAROL T. TANIGUCHI
Clerk of the Senate

Enclosures

cc: CJ Leong
Clerk of the House"