

FIFTEENTH DAY

Friday, February 8, 2013

The House of Representatives of the Twenty-Seventh Legislature of the State of Hawaii, Regular Session of 2013, convened at 12:06 o'clock p.m., with Vice Speaker Mizuno presiding.

The invocation was delivered by Mr. Shaun Kawakami of Mililani Missionary Church, after which the Roll was called showing all Members present with the exception of Representatives Cachola, Har and McDermott, who were excused.

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

SENATE COMMUNICATIONS

The following communications from the Senate (Sen. Com. Nos. 6 and 7) were received and announced by the Clerk:

Sen. Com. No. 6, transmitting S.B. No. 44, SD 1, entitled: "A BILL FOR AN ACT RELATING TO MENTAL HEALTH," which passed Third Reading in the Senate on February 7, 2013.

Sen. Com. No. 7, transmitting S.B. No. 54, SD 1, entitled: "A BILL FOR AN ACT RELATING TO AGING," which passed Third Reading in the Senate on February 7, 2013.

On motion by Representative Awana, seconded by Representative Fukumoto and carried, the following Senate Bills passed First Reading by title and further action was deferred: (Representatives Cachola, Har and McDermott were excused.)

S.B. No. 44, SD 1
S.B. No. 54, SD 1

KA HUA 'ŌLELO O KA LĀ
HAWAIIAN WORD FOR THE DAY

Representative Hanohano presented *Ka Hua 'Ōlelo O Ka Lā*, the Hawaiian Word for the Day, as follows:

*"Mahalo ho'omalu 'ōlelo,
Ka hua 'ōlelo o ka lā – Kahikina.
Kahikina – The East, orient, coming, advent.
Two words: Ka – The, Hikina – East
Ho'opuka mai ka lā, mai Kahikina. The sun rises from the east.
Mahalo."*

INTRODUCTIONS

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

Vice Speaker Mizuno introduced visitors from Flushing, NY: Mrs. Sylvia Gonzalez; her husband, Mr. Juanito Ong; and daughter, Ms. Jill Vivienne Ong. They were accompanied by his staff: Ms. Christine Fehn, Mr. Raytan Vares, Ms. Lynne Gutierrez and Mr. Michael Bouffard.

ORDER OF THE DAY

REPORTS OF STANDING COMMITTEES

Representative Carroll, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 200) recommending that H.B. No. 400, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 400, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD PROTECTION," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Carroll, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 201) recommending that H.B. No. 1208, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1208, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATION AND LICENSURE FEES," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Carroll, for the Committee on Human Services, presented a report (Stand. Com. Rep. No. 202) recommending that H.B. No. 529, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 529, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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. 529, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CARE HOMES," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Yamane, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 203) recommending that H.B. No. 692, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 692, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HARBORS," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representative Yamane, for the Committee on Transportation, presented a report (Stand. Com. Rep. No. 204) recommending that H.B. No. 983, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 983, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TRANSPORTATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representative Nakashima, for the Committee on Labor & Public Employment, presented a report (Stand. Com. Rep. No. 205) recommending that H.B. No. 1453, as amended in HD 1, pass Second Reading and be referred to the Committee on Education.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1453, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Education, with Representatives Cachola, Har and McDermott being excused.

Representative Evans, for the Committee on Water & Land, presented a report (Stand. Com. Rep. No. 206) recommending that H.B. No. 429, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 429, 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 Finance, with Representatives Cachola, Har and McDermott being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 207) recommending that H.B. No. 1392, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1392, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PRESERVATION OF HAWAII'S MOVING IMAGES," passed Second Reading and was referred to the Committee on Higher Education, with Representatives Cachola, Har and McDermott being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 208) recommending that H.B. No. 1396, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1396, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE JAPANESE AMERICAN EXPERIENCE IN HAWAII," passed Second Reading and was referred to the Committee on Higher Education, with Representatives Cachola, Har and McDermott being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 209) recommending that H.B. No. 1422, as amended in HD 1, pass Second Reading and be referred to the Committee on Water & Land.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1422, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HISTORIC STRUCTURES," passed Second Reading and was referred to the Committee on Water & Land, with Representatives Cachola, Har and McDermott being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 210) recommending that H.B. No. 564, as amended in HD 1, pass Second Reading and be referred to the Committee on Transportation.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 564, HD 1 pass Second Reading and be referred to the Committee on Transportation, seconded by Representative Awana.

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

"Thank you, Mr. Speaker, ruling on a potential conflict. I am a veteran," and the Chair ruled, "no conflict."

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

"Mr. Speaker, same request, I'm also a veteran," and the Chair ruled, "no conflict."

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

"Mr. Speaker, same request," and the Chair ruled, "no conflict."

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

"Mr. Speaker, same request," and the Chair ruled, "no conflict."

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

"Same request, please," and the Chair ruled, "no conflict."

Representative Cabanilla rose, stating:

"Just a comment, Mr. Speaker, this only applies to disabled veterans. 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. 564, HD 1, entitled: "A BILL FOR AN ACT RELATING TO VEHICULAR TAXES," passed Second Reading and was referred to the Committee on Transportation, with Representatives Cachola, Har and McDermott being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 211) recommending that H.B. No. 1128, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1128, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INTRA-STATE AVIATION," passed Second Reading and was referred to the Committee on Economic Development & Business, with Representatives Cachola, Har and McDermott being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 212) recommending that H.B. No. 161 pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 161, entitled: "A BILL FOR AN ACT RELATING TO VETERANS DISABILITY BENEFITS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Cabanilla, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 213) recommending that H.B. No. 560, as amended in HD 1, pass Second Reading and be referred to the Committee on Economic Development & Business.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 560, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING URBAN GARDENING," passed Second Reading and was referred to the Committee on Economic Development & Business, with Representatives Cachola, Har and McDermott being excused.

Representative Cabanilla, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 214) recommending that H.B. No. 1119 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1119, entitled: "A BILL FOR AN ACT RELATING TO THE PUBLIC HOUSING AUTHORITY," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representative Cabanilla, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 215) recommending that H.B. No. 795 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 795, entitled: "A BILL FOR AN ACT RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Tsuji, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 216) recommending that H.B. No. 1368, as amended in HD 1, pass Second Reading and be referred to the Committee on Education.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1368, HD 1 pass Second Reading and be referred to the Committee on Education, seconded by Representative Awana.

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

"Thank you, Mr. Speaker. I rise in opposition. Mr. Speaker, this is the first GE Tax increase bill that we're going to be seeing and it was a 1% GE Tax bill, but it was gutted for the purpose of getting where it is today. But this was for the purpose of helping education, a great cause, but I would remind the Members that the great regressivity of our GE Tax is going to hurt a lot of people. And I know there are other bills that are kind of flirting with the idea of a GE Tax increase, and I'm also aware that 36 Members standing or sitting in this Chamber have said, there's no GE Tax increase.

"So, Mr. Speaker, I'm going to be upfront and say, I vote no on this. We've got to take care of our teachers, but I would say, Governor Abercrombie, let's at least give them a contract to start with and then we can handle stuff that has implications with these kinds of things. Thank you."

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

Representative Johanson rose in opposition to the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Johanson's written remarks are as follows:

"Mr. Speaker, I rise in opposition to HB 1368, HD 1. While I support teachers being properly compensated for the valuable work that they do, increasing the General Excise Tax is not the right way to accomplish this goal. This revision of the measure deleted a sub-account for the Department of Education and the amount of General Excise Tax increase. Thus, it is unclear how much the increase would amount to and for what purpose the increased tax revenue would be used.

"Families around the state are struggling to survive in these difficult economic times, and it would not be prudent to add to their burden by increasing the costs of essentials, goods and services. Furthermore, as the GET is a regressive tax, it will disproportionately affect the lower and middle income earners - those who are least equipped to handle increased taxes."

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

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

Representative Fukumoto rose in opposition to the measure and asked that her written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Fukumoto's written remarks are as follows:

"Mr. Speaker, I rise in opposition to House Bill 1368, HD1, which increases the General Excise Tax. My primary concern, Mr. Speaker, is that this bill will raise the cost of living for the residents of Mililani. Due to the regressive nature of the General Excise Tax, this bill will also disproportionately hurt the poor more than other segments of society. We must remember that this is a tax on all services and goods, including staples like milk, bread and over-the-counter medication.

"Recently, the Institute on Taxation and Economic Policy named Hawaii one of the 'Terrible Ten' most regressive states for tax laws, primarily because of our existing General Excise Tax rate. Increasing that rate will only exacerbate the problem. For these reasons, I vote no on this measure. Thank you, Mr. Speaker."

Representative Cheape rose and asked that the Clerk record a no vote for her, 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 Evans rose and asked that the Clerk record an aye vote with reservations for her, and the Chair "so ordered."

Representative Fale rose in opposition to the measure and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Fale's written remarks are as follows:

"I am in full support of education and want to help Hawaii's teachers and students, but the purpose of this bill is unclear. This bill increases the General Excise Tax by an unspecified amount, does not specify the account or list the purposes of the funds accumulated. This will send a negative message to the public who already struggle to make ends meet. There are many inefficiencies in the way we spend taxpayer dollars.

"Hawaii ranks in the top ten most regressive states for tax laws. Our poorest families already pay a high percentage of their total income in excise taxes. Increasing the GET would burden families who already struggle with transportation, feeding their families and providing school supplies for their children. We are also coming out of a bad recession. Many are slowly battling back, and an increase in the GET would halt their progress.

"I ask my colleagues to please think about the people this increase will really affect. *Mahalo*."

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

Representative Hashem rose and asked that the Clerk record an aye vote with reservations for him, 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. 1368, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Education, with Representatives Cheape, Fale, Fukumoto, Johanson, Thielen and Ward voting no, and with Representatives Cachola, Har and McDermott being excused.

Representatives Hanohano and Evans, for the Committee on Ocean, Marine Resources, & Hawaiian Affairs and the Committee on Water & Land, presented a report (Stand. Com. Rep. No. 217) recommending that H.B. No. 1352, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committees was adopted and H.B. No. 1352, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WATER," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 218) recommending that H.B. No. 269, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 269, HD 1, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE STATE OF HAWAII RELATING TO RESIDENCY REQUIREMENTS FOR MEMBERS OF THE LEGISLATURE," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representative Takumi, for the Committee on Education, presented a report (Stand. Com. Rep. No. 219) recommending that H.B. No. 318, as amended in HD 1, pass Second Reading and be referred to the Committee on Legislative Management.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 318, HD 1, entitled: "A BILL FOR AN ACT RELATING TO AUDITING THE DEPARTMENT OF EDUCATION," passed Second Reading and was referred to the Committee on Legislative Management, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 220) recommending that H.B. No. 106, as amended in HD 1, pass Second Reading and be referred to the Committee on Water & Land.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 106, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GEOTHERMAL RESOURCES," passed Second Reading and was referred to the Committee on Water & Land, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 221) recommending that H.B. No. 856, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 856, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

"Thank you very much, Mr. Speaker, in strong support and I would like permission to insert written comments into the Journal."

Representative McKelvey's written remarks are as follows:

"From the sun to the surf to the black sand beaches, Hawaii is known for its pristine natural settings and beautiful weather. With all of those beautiful places to preserve, the State Legislature believes that there is no better way to protect the *'āina* than with a healthy supply of renewable energy sources.

"Hawaii's electricity rates are the highest in the nation. Consumers need access to energy efficient devices that offer real electricity costs savings. The major obstacle for low to moderate income residents in Hawaii is the upfront cash needed or access to credit to purchase solar hot water heaters and solar photo-voltaic systems. Without question, the most important benefit of these renewable resource devices to the consumer is the lowering of their monthly electric bills.

"The Legislature believes that clean energy and energy efficiency should not be for the wealthy only. Hawaii residents who work hard and pay their bills, but find it difficult to save enough money or build enough credit to

finance a solar hot water heater or solar photo-voltaic system, should not be shut out of this market.

"The on-bill financing that is detailed in HB856 HD1, allows the consumer to pay for these energy systems through the electricity cost savings on their monthly bill. This not only makes available energy savings to a greater number of Hawaii's consumers, but it also means less oil for every kilowatt hour of energy being conserved or replaced by clean energy.

"Reducing Hawaii's dependence on imported fossil fuel requires significant infrastructure and investment. House Bill 856 seeks to lower Hawaii residents' electric bills immediately and pay for the devices over the long run, while also supporting the State's energy goals of self-sufficiency and security."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 856, HD 1, entitled: "A BILL FOR AN ACT RELATING TO GREEN INFRASTRUCTURE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 222) recommending that H.B. No. 562, as amended in HD 1, pass Second Reading and be referred to the Committee on Housing.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 562, HD 1, entitled: "A BILL FOR AN ACT RELATING TO SOLID WASTE," passed Second Reading and was referred to the Committee on Housing, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 223) recommending that H.B. No. 1149, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1149, HD 1, entitled: "A BILL FOR AN ACT RELATING TO WIND ENERGY FACILITIES," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Aquino, for the Committee on Public Safety, presented a report (Stand. Com. Rep. No. 224) recommending that H.B. No. 1056, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1056, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PUBLIC SAFETY," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Aquino, for the Committee on Public Safety, presented a report (Stand. Com. Rep. No. 225) recommending that H.B. No. 1278, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1278, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COURT FEES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 226) recommending

that H.B. No. 136, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 136, HD 1, entitled: "A BILL FOR AN ACT RELATING TO INSURANCE," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 227) recommending that H.B. No. 22 pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 22, entitled: "A BILL FOR AN ACT RELATING TO PARTITION OF HEIRS PROPERTY," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 228) recommending that H.B. No. 234, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 234, HD 1, entitled: "A BILL FOR AN ACT RELATING TO COLLECTION OF RESTITUTION FOR CRIME VICTIMS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 229) recommending that H.B. No. 632, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 632, HD 1, entitled: "A BILL FOR AN ACT RELATING TO OPEN DATA," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 230) recommending that H.B. No. 178, as amended in HD 1, pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 178, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CONTINUING EDUCATION," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 231) recommending that H.B. No. 1186, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1186, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMALS," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 232) recommending that H.B. No. 135 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 135, entitled: "A BILL FOR AN ACT RELATING TO UNIFORM COMMERCIAL CODE ARTICLE 4A," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representative McKelvey, for the Committee on Consumer Protection & Commerce, presented a report (Stand. Com. Rep. No. 233) recommending that H.B. No. 23, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 23, HD 1, entitled: "A BILL FOR AN ACT RELATING TO REAL ESTATE," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Belatti, for the Committee on Health, presented a report (Stand. Com. Rep. No. 234) recommending that H.B. No. 412, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 412, HD 1 pass Second Reading and be referred to the Committee on Judiciary, seconded by Representative Awana.

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

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

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

Representative Johanson rose in support of the measure with reservations and asked that his written remarks be inserted in the Journal, and the Chair "so ordered."

Representative Johanson's written remarks are as follows:

"Mr. Speaker, I rise with reservations on HB 412, HD 1. HB 412 does not accurately differentiate 'sex' and 'gender' which are not interchangeable terms from a legal standpoint. Additionally, the Attorney General raised a number of workability issues including that the 'statutory amendment [the bill] seeks would allow changes to 'gender,' a non-existent data item on birth certificates, the proposed method of amending birth certificates lacks evidentiary reliability, and the part of the amendment that would allow for unsealing sealed birth records upon request may be a violation of the right to privacy under the State Constitution.' For these reasons, I do have concerns with this measure."

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

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

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

Representative Cabanilla rose and asked that the Clerk record a no vote 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. 412, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CERTIFICATES OF BIRTH," passed Second Reading and was referred to the Committee on Judiciary, with Representative Cabanilla voting no, and with Representatives Cachola, Har and McDermott being excused.

Representative Belatti, for the Committee on Health, presented a report (Stand. Com. Rep. No. 235) recommending that H.B. No. 1383, as amended in HD 1, pass Second Reading and be referred to the Committee on Higher Education.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1383, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Higher Education, with Representatives Cachola, Har and McDermott being excused.

Representatives Belatti and Carroll, for the Committee on Health and the Committee on Human Services, presented a report (Stand. Com. Rep. No. 236) recommending that H.B. No. 2 pass Second Reading and be referred to the Committee on Finance.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committees was adopted and H.B. No. 2, entitled: "A BILL FOR AN ACT RELATING TO LONG TERM CARE," passed Second Reading and was referred to the Committee on Finance, with Representatives Cachola, Har and McDermott being excused.

Representatives Belatti and Nakashima, for the Committee on Health and the Committee on Labor & Public Employment, presented a report (Stand. Com. Rep. No. 237) recommending that H.B. No. 1483, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committees be adopted, and that H.B. No. 1483, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

Representative Morikawa rose to speak in support of the measure with reservations, stating:

"Thank you. I'd like to just express my appreciation to the Chairs for their hard work, but please note my reservations."

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

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

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

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 1483, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representatives Belatti and Nakashima, for the Committee on Health and the Committee on Labor & Public Employment, presented a report (Stand. Com. Rep. No. 238) recommending that H.B. No. 1484, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committees be adopted, and that H.B. No. 1484, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

Representative Yamane rose to speak in support of the measure with reservations, stating:

"Mr. Speaker, please note my reservations. Mr. Speaker, the concern I have regarding this measure before us, not only the development of an HHSC personnel system but also the intent of the initial measure which was to move, what I think is backwards, in reestablishing a corporate system.

"If Members recall, one of the criticisms years ago was that the regional areas in which these hospitals serviced, did not feel they had appropriate input in directing and influencing the quality of care and a direction of care within their communities.

"So in an attempt to allow our constituents, those who live in those areas, to have input in how their hospitals were run, we need instituted regional boards. So my concern, Mr. Speaker, on this measure, is that we've reconstituted a centralized system which unintended consequences is that those on the neighbor islands will actually have less input in the quality and breadth of their care. Thank you, Mr. Speaker."

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

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

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

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

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

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

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

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

Representative Oshiro rose in support of the measure with reservations and asked that the remarks of Representative Yamane be entered into the Journal as his own, and the Chair "so ordered." (By reference only.)

Representative Tokioka rose in support of the measure with reservations and asked that the remarks of Representative Yamane be entered into the Journal as his own, and the Chair "so ordered." (By reference only.)

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

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

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

"I rise in support. Thank you. That bill got significantly amended by the Committee and I believe that the amendments are really worthy of this moving forward. Clearly, the amendments are about retaining the system as it currently exists, however it does change how we deal with our employees from prospective, out in the future.

"I believe it's important that we start making changes to our Hawaii Health Systems Corporation. Anyone that's known me over the years being here, knows that I really want us to move more to a private system. I

believe that if we're going to have systems that are supported by government that we should really move towards supporting the community health centers, definitely committed to them, because they are the ones out in the rural areas of our community which is very difficult to support. They're very small, they don't have a lot of services, they feed into the bigger hospitals, but they provide much needed services to those rural areas. So I'm all about the community health centers, and I believe we need to go that route and support that.

"But when it comes to the big hospitals that are in our community, we have to start changing them. This does not change Hawaii Health Systems Corporation yet, moving it to the private sector. It's addressing employees out in the future. It's also talking about the boards and what we want the boards to be looking at. And so with that, I think we have to keep moving on this issue, because status quo, I do not believe is working for the best of the residents of Hawaii. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 1484, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representatives Carroll and Belatti, for the Committee on Human Services and the Committee on Health, presented a report (Stand. Com. Rep. No. 239) recommending that H.B. No. 874, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committees was adopted and H.B. No. 874, HD 1, entitled: "A BILL FOR AN ACT RELATING TO CHILD VICTIMS OF SEX AND LABOR TRAFFICKING," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 240) recommending that H.B. No. 810, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 810, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ELECTRIC SYSTEMS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 241) recommending that H.B. No. 811, as amended in HD 1, pass Second Reading and be referred jointly to the Committee on Economic Development & Business and the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 811, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ENERGY INFORMATION REPORTING," passed Second Reading and was referred jointly to the Committee on Economic Development & Business and the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 242) recommending that H.B. No. 357, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 357, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

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

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

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

Representative Fukumoto rose and asked that the Clerk record a no vote for her, 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 Lee rose to speak in support of the measure, stating:

"Thank you very much. In support. This bill in particular is a solution that was come up with to address a problem that has been at the forefront of Hawaii's doorstep for decades. We're going to be losing our fresh water supply in the coming decades as global warming continues to move trade winds off of our Ko'olau. This bill would appropriate funding, in particular to allow the Department of Land & Natural Resources to move forward with protections to address that issue and maintain fresh water for the State.

"On top of that, because the counties have passed bans on plastic bags across the State, retailers now are facing increased costs because they're going to have to give out paper bags, biodegradable bags, all of which carry significantly increased costs to the businesses.

"What this bill will do is not only address our watershed issues, but on top of that will give funding back to our businesses to help reimburse their additional costs so that they don't have to pass costs onto consumers. So this is a measure that is not only going to protect the businesses, it's going to protect consumers, and it's going to give consumers who want to buy bags and pay the 10-cent fee a choice, so that when folks show up, they have that option and they're not just going to be forced to absorb the cost that retailers put forward. Thank you very much."

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

"Mr. Speaker, I just wanted to clarify my opposition. I actually am fully in support of taking care of the environment and making sure our watersheds are protected, but my concern here is that the average person that maybe can't drive a far way to go to the grocery store and has to take the bus, it's hard to carry bags, and they have small apartments, they don't have a place to keep the bags. And they can't make that choice to pay 10 cents extra because they're already struggling. That's my biggest concern here and that's why I'm in opposition. Thank you."

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

"Mr. Speaker, please enter a no vote. Basically I think this is an ill-advised policy to tax the consumers at the benefit of the marketplace, in particular, grocers, who will be making exorbitant profits at 10 cents a bag. I think it's basically a subsidization of these grocers at the expense of the consumers, many of them who will be adversely affected by this.

"I also note that, over the last several years we've been looking at these kinds of bag bills. In fact, I think Oahu was the last county last year to enact a bag ban. I think it would do well for us to consider that in place is a

ban on all the islands that were designed by the different county governments, pursuant to their home rule authority, to design the most appropriate bag bans for their constituents on the neighbor islands and on Oahu.

"So I think we should give this bag ban here, actually it's not a bag ban now it's just basically a fundraising measure, careful examination on the costs that would be imposed upon our consumers. I heard someone saying that this ban would indirectly give Safeway Corporation a \$2 million check for the cost of their plastic bags, and I think that's not the right way to go. Thank you."

Representative Lowen rose in support of the measure and asked that the remarks of Representative Lee be entered into the Journal as her own, and the Chair "so ordered." (By reference only.)

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

"In strong support, and same request. Also, I'm from Maui where we had plastic bags banned for quite some time now and it's really no problem to bring your own canvas-type bags."

Representative Cabanilla rose to speak in support of the measure with reservations, stating:

"Thank you, Mr. Speaker, with reservations. I do support the intent because we need to take care of the environment. However, the cost per bag as written right now I think is exorbitant for our constituents to bear. Thank you."

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

"Mr. Speaker, ruling on a conflict of interest, please. My wife's family owns a retail grocery business," and the Chair ruled, "no conflict."

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

"Same request," and the Chair ruled, "no conflict."

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

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

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

"Mr. Speaker, ruling on a potential conflict. I have a retail outlet," and the Chair ruled, "no conflict."

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

"Mr. Speaker, can I get the same ruling. My wife has Safeway as a client," and the Chair ruled, "no conflict."

Representative Fale continued to speak in opposition to the measure, stating:

"I'm voting no on the measure. I would also like to clarify, Mr. Speaker, the reason why I'm voting no on this measure is that I asked directly to the Department of Health and to the Department of Land & Natural Resources if they would reassess their support of this measure if the economic numbers came back and said that it would impact the lowest economic brackets. Because my feelings are that it will. And they said that if this does impact the lowest economic brackets, that they would reconsider their support of this measure.

"As I stated in Committee, I'm not going to reach into the pockets of working mothers and fathers in my community and take one more penny

out to pay for anything, because we're dying out there. This measure, and we've raised it, there are cultural ways in which we can address the watershed issue that weren't taken into consideration when this measure was moved forward."

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

Representative Jordan rose, stating:

"Mr. Speaker, please change my reservations to a no vote. 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. 357, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE ENVIRONMENT," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Fale, Fukumoto, Hanohano, Jordan and Oshiro voting no, and with Representatives Cachola, Har and McDermott being excused.

Representatives Lee and Belatti, for the Committee on Energy & Environmental Protection and the Committee on Health, presented a report (Stand. Com. Rep. No. 243) recommending that H.B. No. 904, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committees was adopted and H.B. No. 904, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RECYCLING," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Lee, for the Committee on Energy & Environmental Protection, presented a report (Stand. Com. Rep. No. 244) recommending that H.B. No. 497, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 497, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

"Thank you, Mr. Speaker. I'm rising to speak in support of the measure, but I also would like to urge the Members to use caution as we move this measure forward and then over to the Senate. I don't believe we should reduce the tax credits for photovoltaic anymore beyond what is in this bill. I think we've gone down to the bare bones.

"This is a vibrant industry, it's one of the stars in our economy, and the understanding from the economist from the University of Hawaii is that for every tax dollar credit, we generate over \$2 back into our economy. I think that makes good sense. So when you read the bill, and particularly the amounts that are on page 2 and page 3, let's hold the line firm in the House and not go below that percentage of those tax credits.

"The other thing is that there's going to be a study required from Department of Business and Economic Development. It might even be better to make that study be further out. It's going to be three years out now. I'm not sure if that's going to give quite enough time for everything to stabilize, because we sent a lot of mixed signals that scared off the residential property owners from going ahead with photovoltaic. Now if we go ahead with this bill, we'll have a good signal that it's going to be stabilized at these specific percentages and you can go ahead and put in your project feeling some confidence. I think that if we allowed a study on that to occur, let's say after 4 – 5 years, then we might even at that point decide that we should ramp up those tax credits again.

"The end result is that we can get homes virtually off of the grid, and that's going to be a huge plus for Hawaii. We would keep that money that we're sending out now to buy foreign fossil fuel, we'll keep that in the State. And Mr. Speaker, that is going to be the economic engine for our

State. I really think green energy means green money in our economy. So everything we can do to encourage that, I would say let's do it. But let's hold the House position firm. I'm not sure what's going to happen in the Senate, but I think we ought to be linking arms and saying, our position is the one that has to prevail. Let's hold our line that we set. We've drawn a line in the sand and 51 of us should stand firm with that line. Thank you."

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

Representative Ward rose to speak in support of the measure with reservations, stating:

"I rise with reservations with a few comments, Mr. Speaker. Mr. Speaker, I think the concerns expressed by my colleague from Kailua are very well taken. I take them a little bit more seriously when they've actually ramped down the percentages of the credit that can be taken. For example, it's now 35%, it goes down in 2015 to 25%, 2016 down to 20%. The point is, the structure of the incentives are going to fade away. They're going to dissipate.

"Mr. Speaker, we have to realize that of the electricity going through the grid right now, less than 1% is PV. Less than 1% is PV. This industry is such an infant, I call it a zygote. If we take too much of the incentive away, we will then leave it to the millionaires who can do it rather than the small guys who might be able to afford it with these very small incentives.

"One more case in point, for the last 30 years we've incentivized the solar water heater. To this day we have less than 29% of our homes that heat their water by the sun. We have the possibility of becoming the nation and the world leader in this, and if we don't give some incentives, even though this does give incentives, it kind of damns with faint praise, if I can use the Shakespearean term.

"The point is, Mr. Speaker, I hope that any Committee that handles this in the future is not going to say, well that's still too much. DOTAX says this is \$30 million or \$50 million. Well think of the \$6 billion that we're giving to the Middle East and we're giving to all those fossil fuel producers in the other parts of the world. Thank you, Mr. Speaker."

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

"Thank you, in support. Just very briefly, there were a number of good discussions had on the ramped-down feature of this bill. I think what's at question here is what is the right size for this credit, and that's what we're really trying to achieve.

"In fact, members of the industry themselves actually asked for a more aggressive step down because what's coming are other bills, one of which was on our agenda today which we already voted through, which would provide, in the future, on-bill financing, and provide the means so that folks can get solar financed up-front and make renewable energy systems like this far more available to those who otherwise would never be able to afford it even with credits as generous as they have been.

"So this is a way to both maintain the forward momentum that we have in our economy with our construction and solar industries, and at the same time make sure it's not going to have a significant dent on our budget. Thank you."

Representative Fale rose and asked that the Clerk record an aye vote with reservations for him, 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. 497, HD 1, entitled: "A BILL FOR AN ACT RELATING TO RENEWABLE ENERGY," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Choy, for the Committee on Higher Education, presented a report (Stand. Com. Rep. No. 245) recommending that H.B. No. 1200, as

amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1200, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EDUCATION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representatives Belatti and Carroll, for the Committee on Health and the Committee on Human Services, presented a report (Stand. Com. Rep. No. 246) recommending that H.B. No. 120, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committees be adopted, and that H.B. No. 120, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

Representative Cabanilla rose to speak in support of the measure with reservations, stating:

"With reservations, Mr. Speaker. I would like to make a few comments. I do support the intent which is the reporting on a website. My reservation is how the bill is currently written at this point and I hope to work with the Committees on how we can make it fair to both sides.

"As written right now, when somebody comes and inspects the facilities, they get reported on the website. I would like the reporting after the investigation has been done, to make sure that that is really how it is.

"And secondly, there should be a tier system. The ones that need to be reported are the actual violations to the patient. Care violations as opposed to just administrative or paperwork violations. Those are my concerns, Mr. Speaker. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committees was adopted and H.B. No. 120, HD 1, entitled: "A BILL FOR AN ACT RELATING TO HEALTH," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representatives Aquino and Takai, for the Committee on Public Safety and the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 247) recommending that H.B. No. 849, as amended in HD 1, pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committees was adopted and H.B. No. 849, HD 1, entitled: "A BILL FOR AN ACT RELATING TO EMERGENCY MANAGEMENT," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 248) recommending that H.B. No. 748 pass Second Reading and be referred to the Committee on Judiciary.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 748, entitled: "A BILL FOR AN ACT PROPOSING AN AMENDMENT TO THE HAWAII CONSTITUTION TO AUTHORIZE THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST AGRICULTURAL ENTERPRISES," passed Second Reading and was referred to the Committee on Judiciary, with Representatives Cachola, Har and McDermott being excused.

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 249) recommending that H.B. No. 97, as amended in HD 1, pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 97, HD 1 pass Second Reading and be referred to the Committee on Energy & Environmental Protection, seconded by Representative Awana.

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

"Mr. Speaker, I rise in opposition to this. Mr. Speaker, it's been an honor to be, for the first time in my 16, 14, 15 years here, to be on the Ag Committee. It's really an eye opener. This bill basically is to ask, it's a 'Mother, May I' to the Department of Agriculture. May we create a genetically modified organism.

"This will stifle intellectual academic freedom. A professor may have to go get permission, and it says a public hearing, before an organism can be developed. Imagine what that would do the UH system. It would be a constraint of trade in terms of what could be brought in to the State.

"I know there's a lot of concern about GMO. We have to look at it, but in terms of what this bill asks for I think it's going a little bit overboard, and because of those reasons, I'm voting no."

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

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

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

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

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

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

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

"Thank you, Mr. Speaker, in support. I just want to encourage the Members to take a look at the actual language of the bill before making any judgments. This is a controversial issue, GMO, but it's important that we start looking at it very closely and that we have this discussion. There are different visions of the world and how we're going to feed it.

"In Hawaii we have many different visions moving forward at the same time and I think in order to make sure that we can coexist, we need to have this critical conversation and make sure that nobody's hiding any information and that everything's above board. *Mahalo.*"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 97, HD 1, entitled: "A BILL FOR AN ACT RELATING TO THE PROTECTION OF AGRICULTURAL PRODUCTS AGAINST INVASIVE SPECIES," passed Second Reading and was referred to the Committee on Energy & Environmental Protection, with Representative Ward voting no, and with Representatives Cachola, Har and McDermott being excused.

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 250) recommending that H.B. No. 1260, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 1260,

HD 1, entitled: "A BILL FOR AN ACT RELATING TO AGRICULTURE," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 251) recommending that H.B. No. 673, as amended in HD 1, pass Second Reading and be referred to the Committee on Health.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 673, HD 1 pass Second Reading and be referred to the Committee on Health, seconded by Representative Awana.

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

"In opposition, Mr. Speaker. Most of the farmers in our State have problems with sustainability. It's not really one of those businesses where you can garner a lot of money and most of them are barely making it. This fee that's being imposed on them is another cost item that they need to worry about or report. So with that, I stand in opposition. Thank you."

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

"Thank you, Mr. Speaker, I just wanted to stand in support and clarify that there is no authorized fee. It's authorizing the Department if they need to move forward with a fee, and this is simply allowing them to put together the information they currently have on pesticides so that the public can also have that same information. *Mahalo.*"

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and H.B. No. 673, HD 1, entitled: "A BILL FOR AN ACT RELATING TO PESTICIDES," passed Second Reading and was referred to the Committee on Health, with Representative Cabanilla voting no, and with Representatives Cachola, Har and McDermott being excused.

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 252) recommending that H.B. No. 1145, as amended in HD 1, pass Second Reading and be referred to the Committee on Transportation.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 1145, HD 1 pass Second Reading and be referred to the Committee on Transportation, seconded by Representative Awana.

Representative Ward rose and asked that the Clerk record an aye vote with reservations for him, 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. 1145, HD 1, entitled: "A BILL FOR AN ACT RELATING TO ANIMAL TRANSPORT," passed Second Reading and was referred to the Committee on Transportation, with Representatives Cachola, Har and McDermott being excused.

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 253) recommending that H.B. No. 174, as amended in HD 1, pass Second Reading and be referred to the Committee on Consumer Protection & Commerce.

Representative Saiki moved that the report of the Committee be adopted, and that H.B. No. 174, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

"Mr. Speaker, ruling on a conflict of interest. My wife's family owns a retail grocery business. Thank you," and the Chair ruled, "no conflict."

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

"Mr. Speaker, may I have a ruling on a potential conflict. My spouse represents a pharmaceutical company with GM products," and the Chair ruled, "no conflict."

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

"Mr. Speaker, I rise in support. Having grown up on a farm and now representing a large agricultural district, my first priority is providing local food for local people, and I think we all know that there's been a large outcry from the public on the right to know. And I believe that consumers do..."

Representative Evans rose to a point of order, stating:

"Mr. Speaker, point of order. The Representative, when she was talking, was looking at us, this direction, and I think decorum is, you look at the Speaker."

The Chair addressed Representative Cheape, stating:

"Representative Cheape, if you can just focus your comments to the Chair."

Representative Cheape continued, stating:

"I apologize. To continue on, I believe that consumers have the right to know what's in their food, but also it's important for local agriculture to succeed long term in Hawaii, that we don't hurt the local farmers and I feel a lot of people felt that this bill didn't go far enough. But I think a more overarching bill would have possibly hurt the small local farmer."

"This bill only requires labeling on genetically modified food coming into our State. Not for processed food or food that is produced here locally. And a more overarching bill could have possibly placed a burden on our small farmers. For instance our livestock farmers, if they had to find out if their feed was genetically modified or not, it could put a cost onto our small farmers."

"I believe that it's our responsibility as lawmakers to listen to the public, and there has been a long standing outcry. I think that this bill is that first step in moving forward in addressing that issue without hurting our local farmers. Thank you."

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

"Thank you, Mr. Speaker. I'd like to ask for a ruling on a potential conflict of interest. Our family owns a retail operation that imports food," and the Chair ruled, "no conflict."

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

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

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

Representative Ing rose in support of the measure and asked that the remarks of Representative Cheape be entered into the Journal as his own, and the Chair "so ordered." (By reference only.)

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

Representative Fukumoto's written remarks are as follows:

"Mr. Speaker, I rise with reservations on HB 174, HD1. The measure addresses labeling for genetically modified food products. While I appreciate the intent, I am concerned that this bill as drafted could lead to consumer confusion."

"As I read this bill, a consumer could go to the grocery store and face a choice between two bins of fresh corn – one from the mainland and one from a local farm. Both could be GMOs, but only one would be labeled as a genetically modified food product. The consumer who is concerned about GMOs may choose the local corn, thinking that it is not a GMO, even though it is."

"As I mentioned earlier, I appreciate the intent and applaud the effort to promote local products, but as this bill moves forward, I want to ensure that we are being fair to local consumers. Thank you, Mr. Speaker."

Representative Oshiro rose and asked that the Clerk record an aye vote with reservations for him, 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. 174, HD 1, entitled: "A BILL FOR AN ACT RELATING TO FOOD LABELING," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cachola, Har and McDermott being excused.

Representative Rhoads, for the Committee on Judiciary, presented a report (Stand. Com. Rep. No. 254) recommending that H.B. No. 231, as amended in HD 1, pass Second Reading and be placed on the calendar for Third Reading.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and H.B. No. 231, HD 1, entitled: "A BILL FOR AN ACT RELATING TO USE OF FORCE BY PERSONS WITH SPECIAL RESPONSIBILITY FOR CARE, DISCIPLINE, OR SAFETY OF OTHERS," passed Second Reading and was placed on the calendar for Third Reading, with Representatives Cachola, Har and McDermott being excused.

ANNOUNCEMENTS

COMMITTEE ASSIGNMENTS

The following measures were referred to committee by the Speaker:

<u>H.R.</u> <u>Nos.</u>	<u>Referred to:</u>
17	Committee on Transportation, then to the Committee on Finance
18	Committee on Legislative Management
19	Committee on Judiciary
20	Committee on Tourism, then to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts
21	Committee on Higher Education
22	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Tourism
23	Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Judiciary, then to the Committee on Finance

H.C.R.

<u>Nos.</u>	<u>Referred to:</u>
32	Committee on Transportation, then to the Committee on Finance
33	Committee on Legislative Management
34	Committee on Judiciary
35	Committee on Public Safety
36	Committee on Housing, then to the Committee on Finance
37	Jointly to the Committee on Ocean, Marine Resources, & Hawaiian Affairs and the Committee on Water & Land
38	Committee on Tourism, then to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts
39	Committee on Higher Education
40	Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Judiciary, then to the Committee on Finance

COMMITTEE REASSIGNMENTS

The following measure was re-referred to committee by the Speaker:

H.B.

<u>Nos.</u>	<u>Re-referred to:</u>
93	Jointly to the Committee on Energy & Environmental Protection and the Committee on Water & Land, then to the Committee on Finance

ADJOURNMENT

At 12:54 o'clock p.m., on motion by Representative Awana, seconded by Representative Fukumoto and carried, the House of Representatives adjourned until 12:00 o'clock noon, Monday, February 11, 2013. (Representatives Cachola, Har and McDermott were excused.)