

THIRTY-FIRST DAY

Thursday, March 14, 2013

The House of Representatives of the Twenty-Seventh Legislature of the State of Hawaii, Regular Session of 2013, convened at 12:08 o'clock p.m., with Speaker Souki presiding.

The invocation was delivered by Mr. Raytan K. Vares of Vice Speaker Mizuno's office, after which the Roll was called showing all Members present with the exception of Representatives McKelvey and Mizuno, who were excused.

On motion by Representative Awana, seconded by Representative Fukumoto and carried, reading of the Journal was dispensed with and the Journals of the Seventeenth, Eighteenth, Nineteenth, Twentieth, Twenty-First, Twenty-Second and Twenty-Third Days were approved. (Representatives McKelvey and Mizuno were excused.)

GOVERNOR'S MESSAGES

The following messages from the Governor (Gov. Msg. Nos. 237 through 243) were received and announced by the Clerk and were placed on file:

Gov. Msg. No. 237, dated February 22, 2013, transmitting the Information Privacy and Security Council Reports, prepared by the Office of Information Management and Technology pursuant to Act 10, SLH 2008.

Gov. Msg. No. 238, dated February 27, 2013, transmitting the Annual Report on Solid Waste Management, prepared by the Department of Health pursuant to Section 342G-15, HRS.

Gov. Msg. No. 239, dated February 27, 2013, transmitting the Annual Report on Forensic Patient Data, Specific to the Hawaii State Hospital, prepared by the Department of Health pursuant to Section 334-16, HRS.

Gov. Msg. No. 240, dated February 27, 2013, transmitting the State Council on Mental Health's Annual Report on Implementation of the Statewide Comprehensive Integrated Services Plan, prepared by the Department of Health pursuant to Section 334-10(e), HRS.

Gov. Msg. No. 241, dated March 7, 2013, transmitting the Relating to the State Budget Report on Home-to-School Transportation Costs, prepared by the Department of Education pursuant to Act 164, SLH 2011, as amended by Act 106, Section 4, SLH 2012.

Gov. Msg. No. 242, dated March 7, 2013, transmitting the Temporary Assistance For Needy Families (TANF) Financial Plan Reports, prepared by the Department of Human Services pursuant to Act 164, Sections 126 and 128, SLH 2011.

Gov. Msg. No. 243, dated January 9, 2013, transmitting the Office of Information Management and Technology Procurement Report as of December 31, 2012, pursuant to Act 222, SLH 2012.

INTRODUCTIONS

The following introductions were made to the Members of the House:

Representative Carroll introduced participants of the State Council on Developmental Disabilities "A Day at the Capitol" Event.

Representative Cheape introduced members of the Good Beginnings Alliance: Mr. Jace Mikulanec and Ms. Deborah Zysman; and Ms. Kanoë Naone of In Peace.

Representative Hashem recognized Wilson Elementary School 5th graders.

Representative Coffman introduced Mr. Curtis Tyler, Chair of the State Council on Developmental Disabilities; and Ms. Gretchen Lawson, President and CEO of The Arc of Kona.

Representative Takai introduced his staff member, Ms. Cheryl Derby.

Representative Cabanilla introduced Mrs. Nancy Walch, past President of the Filipino Nurses Organization.

Representative Rhoads introduced his friend from Kukui Gardens, Mr. Blane Sardinha.

Representative Tokioka introduced Mr. El Doi of the Developmental Disabilities Council on Kauai; and Mrs. Joy Kouchi.

Representative Lowen introduced friends visiting from The Arc of Kona: Ms. Giuse Bullock, Sanoe, Debbie, JoAnn, Damien and Apple.

ORDER OF THE DAY

INTRODUCTION OF RESOLUTIONS
(FLOOR PRESENTATIONS)

The following resolution (H.R. No. 195) was announced by the Clerk and the following action taken:

H.R. No. 195, entitled: "HOUSE RESOLUTION RECOGNIZING THE UNITED STATES SMALL BUSINESS ADMINISTRATION'S 2013 AWARDEES OF THE STATE OF HAWAII," was jointly offered by Representatives Tsuji, Brower, Cachola, Coffman, Ing, Nishimoto, Rhoads and Woodson.

Representative Tsuji moved that H.R. No. 195 be adopted, seconded by Representative Ward.

Representative Tsuji recognized the United States Small Business Administration's 2013 Awardees for the State of Hawaii for their outstanding individualism and contributions to Hawaii's Business Community, and introduced the honorees who were seated on the Floor of the House:

Mr. Allan K. Ikawa, President and CEO of Big Island Candies, Entrepreneurial Success of the Year. He was accompanied by his wife, Mrs. Irma Ikawa.

Mr. Art Taniguchi, representing Mr. Robert Kawahara of Kawahara + Co., Certified Public Accountants, LLC, Financial Services Champion of the Year.

Ms. Angie Shiroma, representing Mr. Craig Swift, Director of Maui Economic Opportunity Business Development Center, Home-Based Business Champion of the Year.

Ms. Leslie Wilkins, Vice President, Maui Economic Development Board, Veterans Small Business Champion of the Year.

Mr. José Villa, President of Latin Business Hawaii, Minority Small Business Champion of the Year.

Mr. Billy Giang, President and Owner of SG Group Inc., dba Pho Factory & Saigon Garden, Young Entrepreneur of the Year. He was accompanied by his wife, Mrs. Krystal Giang.

Mr. James Kwong and Mr. David Yogi, Yogi Kwong Engineers, LLC, Small Business Persons of the Year.

Ms. Jane Sawyer, representing Mrs. Naomi Hazelton-Giambrone, Co-Owner of Element Media, Women in Business Champion of the Year.

Ms. Sandra Vajcs, representing Mr. Jim Freeman, Mr. Ralph Shelbourne and Mr. Benjamin Candari, FSC Architects, Small Business Exporter of the Year.

Mr. Sterling Kaya of Hanapa'a Fishing Company, Family-Owned Business of the Year, who could not be here today.

Representative Ward congratulated and thanked the awardees and introduced their guests and sponsors who were seated in the gallery:

Ms. Melitajeon Racadio, Bank of Hawaii, sponsoring Mr. James Kwong; Ms. Rowena Tomas, Ms. Dori Gusman and Mr. Dave Ebaugh, accompanying FSC Architects; Mr. Larry Nagayama and Mr. Clarence Regalado, Hawaii National Bank, sponsoring Mr. Sterling Kaya; Mr. James Chong, American Savings Bank, sponsoring Mr. Billy Giang; Mr. Alvin Imada, Central Pacific Bank, accompanying Ms. Leslie Wilkins; Ms. Krista Shirkey, Streamline6 Communications, sponsoring Mrs. Naomi Hazelton-Giambrone; and Mr. Rodney Wong, Bank of Hawaii, sponsoring Mr. José Villa.

The motion was put to vote by the Chair and carried, and H.R. No. 195 was adopted, with Representatives Belatti, McKelvey and Mizuno being excused.

The following resolution (H.R. No. 196) was announced by the Clerk and the following action taken:

H.R. No. 196, entitled: "HOUSE RESOLUTION COMMENDING THE CHURCH OF SCIENTOLOGY FOR ITS HUMANITARIAN WORK AND COMMUNITY SERVICE AROUND THE GLOBE," was jointly offered by Representatives Cabanilla, Carroll, Cachola, Choy, Luke and Ward.

Representative Cabanilla moved that H.R. No. 196 be adopted, seconded by Representative Carroll.

Representative Cabanilla recognized the Church of Scientology for their outstanding work in humanitarian endeavors and advocating for human rights for over 50 years.

Representative Carroll introduced and recognized honorees seated on the Floor of the House:

Ms. Amanda Barefoot, 1st grade teacher and founder of Phonics Fanatics, a tutoring school in Honolulu.

Ms. Hilu Hansen, a social worker dedicated to at-risk students and prisoners and a board member of Narconon Hawaii.

Ms. Sakura Williams Thompson, a talent agent and partner of Swenson Williams Agency and member of The Interfaith Alliance.

Mr. Bob Adams, Vice President of the Church of Scientology International.

Representative Cabanilla then introduced guests seated in the gallery:

Mr. Mike Mau, Mr. Shon Gregory, Ms. Rose Tinklenberg, Ms. Cindy Bonner and Ms. Susan Reaves.

Representative Brower lauded the eight dynamics and principles of the Church of Scientology and reaffirmed his belief that we are spiritual beings.

Representative Say commended the Church of Scientology on their booklet, *The Way to Happiness*, containing 21 precepts about how to live a happy life, which has helped bring peace to areas of turmoil.

Representative Ward thanked and commended the Church of Scientology for their work in providing disaster relief to devastated areas around the world.

The motion was put to vote by the Chair and carried, and H.R. No. 196 was adopted, with Representatives McKelvey and Mizuno being excused.

At 12:53 o'clock p.m., the Chair declared a recess subject to the call of the Chair.

The House of Representatives reconvened at 1:05 o'clock p.m.

REPORTS OF STANDING COMMITTEES

Representative Wooley, for the Committee on Agriculture, presented a report (Stand. Com. Rep. No. 936) recommending that S.B. No. 595, SD 1, 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 S.B. No. 595, SD 1, HD 1 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

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

"Mr. Speaker, I'd like to request a ruling on a potential conflict. My family has an egg farm. 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 S.B. No. 595, SD 1, 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 McKelvey and Mizuno being excused.

Representative Cabanilla, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 937) recommending that S.B. No. 1025, 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 S.B. No. 1025, HD 1, 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 McKelvey and Mizuno being excused.

Representative Cabanilla, for the Committee on Housing, presented a report (Stand. Com. Rep. No. 938) recommending that S.B. No. 305, SD 1 pass Second Reading and be referred to the Committee on Water & Land.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 305, SD 1 pass Second Reading and be referred to the Committee on Water & Land, seconded by Representative Awana.

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

"Thank you, Mr. Speaker. I'm rising to ask the Clerk to cast a no vote for me and I would like to explain why. Thank you. Mr. Speaker, if you look at subsection (g) on page 2, there's language that really should be of concern, particularly to neighbor islanders. The land planning activities of the authority shall be coordinated with the county planning departments and the county land use plans, policies, and ordinances."

"Well, 'coordinated' is a very open term. It can be coordinating with them, could be just talking to the county officials. It doesn't say that they should be subject to, and that brings us back to the PLDC issue, Mr.

Speaker. If this language were changed to allow the counties to retain their authority under land use plans, policies and ordinances, then the language would say, 'the planning activities of the authority shall be subject to the county land use plans, policies, and ordinances.'

"The other thing is on page 3 of the bill. 'In connection with the development of any public housing dwelling units ... the authority may also develop commercial, industrial, and other properties if it determines that the uses ... will be a benefit to the community in which the properties are situated.' That's pretty broad, a pretty broad authority. Again, it reminds me of the PLDC. Then it goes on, 'the authority may designate any portions of the public housing development for commercial, industrial, or other use and shall have all the powers granted under this chapter with respect thereto.'

"I think this language needs to be tightened up significantly, and at this point I vote no. Thank you."

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

"Mr. Speaker, I also rise in opposition with similar concerns. The DNA traces of the harbors and the DOE gave its sister and brother and this one looks like a cousin, so I'm going to hold my decision as no for now. Thank you."

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

"In strong support, Mr. Speaker. I think that our people are in need of affordable housing and every means possible to increase the lot of affordable housing is something that our community needs. Thank you."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 305, SD 1, entitled: "A BILL FOR AN ACT RELATING TO DEVELOPMENT OF PUBLIC HOUSING," passed Second Reading and was referred to the Committee on Water & Land, with Representatives Thielen and Ward voting no, and with Representatives McKelvey and Mizuno being excused.

Representative Evans, for the Committee on Water & Land, presented a report (Stand. Com. Rep. No. 939) recommending that S.B. No. 1009, SD 1, 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 S.B. No. 1009, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TORT LIABILITY," passed Second Reading and was referred to the Committee on Judiciary, with Representatives McKelvey and Mizuno being excused.

Representative Hanohano, for the Committee on Ocean, Marine Resources, & Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 940) recommending that S.B. No. 406, SD 2 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 S.B. No. 406, SD 2, entitled: "A BILL FOR AN ACT RELATING TO TRAINING," passed Second Reading and was referred to the Committee on Judiciary, with Representatives McKelvey and Mizuno being excused.

Representative Hanohano, for the Committee on Ocean, Marine Resources, & Hawaiian Affairs, presented a report (Stand. Com. Rep. No. 941) recommending that S.B. No. 1235, SD 2 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 S.B. No. 1235, SD 2, entitled: "A BILL FOR AN ACT RELATING TO CABLE TELEVISION," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 942) recommending that S.B. No. 1317, SD 2, 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 S.B. No. 1317, SD 2, 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 McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 943) recommending that S.B. No. 548, SD 1, as amended in HD 1, pass Second Reading and be referred to the Committee on Health.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 548, SD 1, HD 1, entitled: "A BILL FOR AN ACT RELATING TO TELEMEDICINE," passed Second Reading and was referred to the Committee on Health, with Representatives McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 944) recommending that S.B. No. 933, SD 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 S.B. No. 933, SD 1 pass Second Reading and be referred to the Committee on Health, seconded by Representative Awana.

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

"Mr. Speaker, ruling on a potential conflict. I'm a beneficiary of the Tri-Care program. Thank you," and the Chair ruled, "no conflict."

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

"Ruling on a potential conflict. My husband is a beneficiary of the Tri-Care program. Thank you," and the Chair ruled, "no conflict."

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

"Mr. Speaker, ruling on a potential conflict. I am also a beneficiary of the Tri-Care program," and the Chair ruled, "no conflict."

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

"Same request, Mr. Speaker. 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 S.B. No. 933, SD 1, entitled: "A BILL FOR AN ACT RELATING TO THE TRICARE PROGRAM," passed Second Reading and was referred to the Committee on Health, with Representatives McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 945) recommending that S.B. No. 539, SD 2, as amended in HD 1, pass Second Reading and be referred to the Committee on Transportation.

On motion by Representative Saiki, seconded by Representative Awana and carried, the report of the Committee was adopted and S.B. No. 539, SD 2, HD 1, entitled: "A BILL FOR AN ACT RELATING TO

VETERANS," passed Second Reading and was referred to the Committee on Transportation, with Representatives McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 946) recommending that S.B. No. 678, SD 2 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 S.B. No. 678, SD 2, 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 McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 947) recommending that S.B. No. 463, SD 2 pass Second Reading and be referred to the Committee on Economic Development & Business.

Representative Saiki moved that the report of the Committee be adopted, and that S.B. No. 463, SD 2 pass Second Reading and be referred to the Committee on Economic Development & Business, seconded by Representative Awana.

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

Representative Cabanilla 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 S.B. No. 463, SD 2, entitled: "A BILL FOR AN ACT RELATING TO FILM AND DIGITAL MEDIA INDUSTRY DEVELOPMENT," passed Second Reading and was referred to the Committee on Economic Development & Business, with Representatives McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 948) recommending that S.B. No. 750, SD 2 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 S.B. No. 750, SD 2, entitled: "A BILL FOR AN ACT RELATING TO DIGITAL MEDIA INFRASTRUCTURE," passed Second Reading and was referred to the Committee on Economic Development & Business, with Representatives McKelvey and Mizuno being excused.

Representative Takai, for the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, presented a report (Stand. Com. Rep. No. 949) recommending that S.B. No. 1273, SD 2 pass Second Reading and be referred jointly to the Committee on Higher Education and 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 S.B. No. 1273, SD 2, entitled: "A BILL FOR AN ACT RELATING TO ECONOMIC DEVELOPMENT," passed Second Reading and was referred jointly to the Committee on Higher Education and the Committee on Economic Development & Business, with Representatives McKelvey and Mizuno being excused.

Representative Tsuji, for the Committee on Economic Development & Business, presented a report (Stand. Com. Rep. No. 950) recommending that S.B. No. 1068, SD 2 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 S.B. No. 1068, SD 2 pass Second Reading and be referred to the Committee on Consumer Protection & Commerce, seconded by Representative Awana.

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

"Thank you, Mr. Speaker. I rise in opposition to this measure and I'd like to make some brief comments. Mr. Speaker, this will hurt first generation American families, working families, immigrant families who come to this country and are trying to make a better life for themselves. I see these people in my mind's eye. I have gone to church with them, mass with them for over 30 years in Kalihi and Ewa Beach. They are working people who are trying to make a better life and then they want to send money back to their homeland to help those folks who are still there have a better life.

"I think we're penalizing them, Mr. Speaker, because undoubtedly the purveyors who engage in the money transfer process will pass this cost on to them. That's the way the market works. Mr. Speaker, we're going to increase the application fee by 150%. 150%. I wonder, Mr. Speaker, rhetorical question, will their application process speed up by 150%? I doubt it.

"Mr. Speaker, it just seems to me that every time we have a piece of legislation dealing with DCCA it has an increased fee attached to it. I've been away for a while and maybe there's a master plan I'm not aware of, but I find it very troubling, particularly when everything is automated. You want to get a GET license, you go to the website, automated. You're not dealing with people. So folks are wondering, why are we paying for government? Every time we touch it, it costs us money.

"I wouldn't be surprised in the future if you call up if you can get a hold of someone, and I've had to do this, that if they're going to reverse the telephone charges to you and make you pay to talk to them on the phone. It's very troubling.

"The fees here, we increase the application fee from \$2,000 to \$5,000. That's a substantial cost that may make marginal people not be able to execute. License renewal fee is established, from \$5,000 up to \$15,000 for a license. Name change fee. You want to change your name, increased to \$1,000 from \$250 for an administrative action that can be done automated.

"Mr. Speaker, this is a fee increase and it's going to hurt these families who are minority, working, at the bottom of the socio-economic ladder who are trying to get ahead and at the same taking care of those they left behind. So for those reasons, I cannot in good conscience support this."

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

"Thank you, Mr. Speaker. In opposition and I would like to have the words from my colleague in Ewa Beach entered into the record as if they were my own. I would like also to make the following statements.

"As a state we must stand up for our own local Hawaii-based small businesses and give them a fighting chance to survive, which is becoming increasingly more difficult in an increasingly interdependent global economy.

"We were promised a new beginning for Hawaii small businesses in the state, but instead, SB 1068 passed over from the Senate. The House deferred the House companion 837 because the overregulation and high fees result in the killing of small businesses and formation of tight oligarchy of two to three giant multinational corporations from lands afar.

"The small business mom and pop stores would be forced out of business and become a surrogate or vessel of a giant multinational corporation who takes Hawaii's money and profits out of state to lands afar.

"We, as the representatives of the people of the State of Hawaii and the guardians of Hawaii residents doing business in the state, must level the playing field to encourage and give Hawaiian people the chance to survive.

"SB 1068 will kill off local minority-owned small businesses in favor of giant multinational companies and foreign conglomerates. SB 1068 will run the small businesses local money transmitters out of business by erecting huge barriers to entry and high license fees and expenses for operating in Hawaii. Small businesses would have to pay huge deposits and pay unlimited fees and penalties for the investigation of complaints and enforcement of regulations.

"Senate Bill 1068 amends the Money Transmitter Act, Chapter 489D, Hawaii Revised Statutes, that increases the fee structure to amounts unfavorable to small business that is passed on to consumers. Senate Bill 1068 changes the registration fee, again let me mention, from \$5,000 to \$15,000, Mr. Speaker. \$5,000 to \$15,000. SB 1068 will give big banks and money institutions a monopoly and allow them to charge huge transmitting fees even for small transmissions of money. This overregulation is uncalled for, as there have not been any notable complaints about the industry.

"DCCA is conducting business as usual by empire building at the expense of the overburdened small businesses who are forced to pass the fees on to the poor immigrant clients. The problem with this type of insidious taxing of the consumers is that it binds bigger and bigger government without any benefit or protection to the public. For those reasons, Mr. Speaker, I stand in strong opposition to Senate Bill 1068. Thank you."

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 SB 1068, SD 2. This bill enables the Commissioner of Financial Institutions greater authority to enforce the money transmitter's law and expand regulation over licensees. One of the major issues with the bill is that it raises fees significantly. These fees are likely to adversely impact those communities that regularly transmit money to their relatives in foreign countries. This may have a particularly detrimental impact in many of our Filipino communities. Because I believe the fee increases are too steep, I rise in opposition to this measure."

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

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

"Thank you, Mr. Speaker. I'll be voting with reservations. I thank the Committee Chair for reminding us that there are several other committees to go through. I think the recommendation in the Committee Report that the Commissioner of Financial Institutions works closely with the Chair of the subsequent committees to really look at their expenditure plan, current fund balances, current deficit balances over the last several years and the status of those six unfilled positions. I think those are all important questions.

"I'd like to also share the sentiment of the Chair of the Housing Committee, that if there is going to be an increase in these fees, it should be borne by those larger, nationalized, international type corporations and not by the smaller, more independent entrepreneurs in our community. Thank you, Mr. Speaker."

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

"Mr. Speaker, at this time I'll be voting with reservations. I'd like the remarks of my *manang* over there to be part of my statement. Let me just say this. I have a lot of relatives. When they send money it's not in the thousands, it's just sometimes \$50, \$100 to help relatives. If you are going

to exact a high fee to these people, they end up suffering. They'll be getting a lot more fees and they pass it on to them.

"My reservation lies also on the fact that the Division of Financial Institutions covers a whole slew of activity. They have supervision on banks, supervision on savings and loans and others, aside from the transmittal of money. When they come up with presenting to us what they need, they lump up all the deficit of the activity that they have within the division. So I suggest that if they can just narrow it down to the portion of that activity for transmittal of money so we know exactly how much they need. Raising it from \$5,000 to \$15,000, to my mind, is overkill. So for that reason at this point in time, I'll be voting with reservations. Thank you."

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

"Mr. Speaker, I rise in opposition. Mr. Speaker, in addition to the aforementioned reasons and the fact that it barely squeaked out of the EDB Committee, I want to add a humanitarian component to this discussion. I mentioned earlier that I was in the foreign aid office at USCID. We did a study and it was a study of how much foreign aid comes into the country versus expatriate repatriation of funds. The country in question actually has one of the biggest exports of talented, educated people, so repatriation of funds is a huge impact on the gross domestic product of the Philippines.

"If this is going to be an increase for the licensees and all of the other fees that were indicated, that's a direct proportion to many of the barriers and many of the people who are going to be receiving this and a country that doesn't need to have less money than it has now, but more money.

"So, Mr. Speaker, I take it to the humanitarian argument that what we're doing here has a global impact. What we're doing here has a very strong survival and humanitarian component to it and I would hope that others would consider that as we push this bill along. Thank you, Mr. Speaker."

Representative Cullen 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 an aye vote with reservations for her, and the Chair, "so ordered."

Representative Cheape rose and asked that the Clerk record a no vote for her, 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 Fale rose to speak in opposition to the measure, stating:

"Mr. Speaker, in opposition. May I have the words from both of the Representatives from Ewa and the Representative from Hawaii Kai inserted into the Journal as if they were my own. With these additional comments.

"One of my favorite stories here in the State of Hawaii is that of the late Senator Inouye and his upbringing here in the State of Hawaii. What brought his family here to Hawaii was the opportunity to help out his own family back in Japan. There are many of us here, as could easily be identified by our names, that came here from another place and often they were in very poor and difficult circumstances with the hope that one day that we would be able to send back a little bit of help to our families wherever they were.

"The part about Senator Inouye's story that I remember is watching that video where his dad told him that this country had been good to him and his family and if he had to die for that country then so be it. Now this takes away, I believe, Mr. Speaker, a little bit of the goodness to those minority and first generation Americans who are here in the State of Hawaii with an enormous negative impact on them and their families. So I would like to continue to be as friendly as we can to our small businesses and especially to those who are in the most difficult financial circumstances, Mr. Speaker, and their families. So, for those reasons I am opposed to this measure."

The motion was put to vote by the Chair and carried, and the report of the Committee was adopted and S.B. No. 1068, SD 2, entitled: "A BILL FOR AN ACT RELATING TO MONEY TRANSMITTERS," passed Second Reading and was referred to the Committee on Consumer Protection & Commerce, with Representatives Cabanilla, Cheape, Fale, Fukumoto, Johanson, McDermott and Ward voting no, and with Representatives McKelvey and Mizuno being excused.

ANNOUNCEMENTS

Representative Morikawa: "Thank you, Mr. Speaker. As the Koreans would say, *saengil chukha hamnida*. I would like to wish a very happy birthday to the Chair of Health, today is her birthday, from all of us. Thank you, Mr. Speaker."

COMMITTEE ASSIGNMENTS

The following measures were referred to committee by the Speaker:

H.R.

Nos.

Referred to:

47	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Economic Development & Business	66	Committee on Health, then to the Committee on Consumer Protection & Commerce
48	Committee on Labor & Public Employment, then to the Committee on Judiciary	67	Committee on Consumer Protection & Commerce, then to the Committee on Finance
49	Jointly to the Committee on Energy & Environmental Protection and the Committee on Health, then to the Committee on Finance	68	Committee on Economic Development & Business, then to the Committee on Consumer Protection & Commerce
50	Committee on Higher Education, then to the Committee on Judiciary	69	Committee on Consumer Protection & Commerce, then to the Committee on Finance
51	Jointly to the Committee on Human Services and the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Judiciary	70	Committee on Tourism, then to the Committee on Health
52	Committee on Transportation, then to the Committee on Finance	71	Committee on Public Safety, then to the Committee on Judiciary
53	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Judiciary	72	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Economic Development & Business, then to the Committee on Finance
54	Jointly to the Committee on Agriculture and the Committee on Energy & Environmental Protection, then to the Committee on Consumer Protection & Commerce	73	Committee on Energy & Environmental Protection, then to the Committee on Water & Land
55	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Education	74	Committee on Education, then to the Committee on Finance
56	Jointly to the Committee on Agriculture and the Committee on Water & Land, then to the Committee on Judiciary	76	Committee on Energy & Environmental Protection, then to the Committee on Consumer Protection & Commerce
59	Committee on Education, then to the Committee on Finance	77	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Economic Development & Business
60	Committee on Health, then to the Committee on Consumer Protection & Commerce	78	Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Transportation
61	Jointly to the Committee on Water & Land and the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Finance	79	Committee on Health, then to the Committee on Higher Education
62	Jointly to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts and the Committee on Health, then to the Committee on Finance	80	Committee on Higher Education, then to the Committee on Legislative Management
63	Committee on Education, then to the Committee on Finance	81	Committee on Judiciary
		82	Committee on Public Safety, then to the Committee on Judiciary
		83	Committee on Consumer Protection & Commerce, then to the Committee on Finance
		84	Jointly to the Committee on Agriculture and the Committee on Energy & Environmental Protection, then to the Committee on Consumer Protection & Commerce
		85	Committee on Labor & Public Employment, then to the Committee on Higher Education, then to the Committee on Finance
		86	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Finance
		87	Committee on Veterans, Military, & International Affairs, & Culture and the Arts
		88	Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Judiciary
		89	Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Finance
		90	Committee on Education, then to the Committee on Finance

<p>91 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs</p> <p><u>H.C.R.</u> <u>Nos.</u> <u>Referred to:</u></p> <p>60 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Economic Development & Business</p> <p>61 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Finance</p> <p>62 Committee on Health, then to the Committee on Consumer Protection & Commerce, then to the Committee on Legislative Management</p> <p>63 Committee on Labor & Public Employment, then to the Committee on Judiciary</p> <p>64 Jointly to the Committee on Energy & Environmental Protection and the Committee on Health, then to the Committee on Finance</p> <p>65 Jointly to the Committee on Agriculture and the Committee on Water & Land, then to the Committee on Finance</p> <p>66 Committee on Higher Education, then to the Committee on Judiciary</p> <p>67 Jointly to the Committee on Human Services and the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Judiciary</p> <p>68 Committee on Transportation, then to the Committee on Finance</p> <p>69 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Judiciary</p> <p>70 Jointly to the Committee on Agriculture and the Committee on Energy & Environmental Protection, then to the Committee on Consumer Protection & Commerce</p> <p>71 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Education</p> <p>72 Jointly to the Committee on Agriculture and the Committee on Water & Land, then to the Committee on Judiciary</p> <p>73 Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Finance</p> <p>74 Committee on Education, then to the Committee on Judiciary</p> <p>75 Committee on Education, then to the Committee on Finance</p> <p>76 Committee on Health, then to the Committee on Consumer Protection & Commerce</p> <p>77 Jointly to the Committee on Water & Land and the Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Finance</p> <p>78 Committee on Education, then to the Committee on Finance</p> <p>79 Jointly to the Committee on Agriculture and the Committee on Economic Development & Business, then to the Committee on Consumer Protection & Commerce</p>	<p>80 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Finance</p> <p>81 Jointly to the Committee on Veterans, Military, & International Affairs, & Culture and the Arts and the Committee on Health, then to the Committee on Finance</p> <p>82 Committee on Health, then to the Committee on Consumer Protection & Commerce</p> <p>83 Committee on Transportation</p> <p>84 Committee on Transportation</p> <p>85 Committee on Consumer Protection & Commerce, then to the Committee on Finance</p> <p>86 Committee on Consumer Protection & Commerce, then to the Committee on Finance</p> <p>87 Committee on Consumer Protection & Commerce, then to the Committee on Finance</p> <p>88 Committee on Economic Development & Business, then to the Committee on Consumer Protection & Commerce</p> <p>89 Committee on Public Safety, then to the Committee on Judiciary</p> <p>90 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Economic Development & Business, then to the Committee on Finance</p> <p>91 Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Economic Development & Business</p> <p>92 Committee on Education, then to the Committee on Finance</p> <p>93 Committee on Education, then to the Committee on Finance</p> <p>94 Committee on Health, then to the Committee on Education</p> <p>95 Jointly to the Committee on Education and the Committee on Higher Education</p> <p>96 Committee on Energy & Environmental Protection, then to the Committee on Water & Land</p> <p>97 Committee on Education, then to the Committee on Finance</p> <p>98 Committee on Water & Land, then to the Committee on Education</p> <p>99 Committee on Energy & Environmental Protection, then to the Committee on Consumer Protection & Commerce</p> <p>100 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Economic Development & Business</p> <p>101 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Transportation</p> <p>102 Committee on Agriculture, then to the Committee on Economic Development & Business, then to the Committee on Finance</p> <p>103 Committee on Health, then to the Committee on Higher Education</p>
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- 104 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Finance
- 105 Committee on Higher Education, then to the Committee on Legislative Management
- 106 Committee on Judiciary
- 107 Committee on Public Safety, then to the Committee on Judiciary
- 108 Committee on Health, then to the Committee on Education
- 109 Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Education
- 110 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs, then to the Committee on Finance
- 111 Jointly to the Committee on Education and the Committee on Legislative Management, then to the Committee on Finance
- 112 Committee on Consumer Protection & Commerce, then to the Committee on Finance
- 113 Jointly to the Committee on Agriculture and the Committee on Energy & Environmental Protection, then to the Committee on Consumer Protection & Commerce
- 114 Committee on Labor & Public Employment, then to the Committee on Higher Education, then to the Committee on Finance
- 115 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Finance
- 116 Committee on Veterans, Military, & International Affairs, & Culture and the Arts
- 117 Committee on Veterans, Military, & International Affairs, & Culture and the Arts, then to the Committee on Judiciary
- 118 Jointly to the Committee on Human Services and the Committee on Health, then to the Committee on Finance
- 119 Committee on Education, then to the Committee on Finance
- 120 Jointly to the Committee on Water & Land and the Committee on Ocean, Marine Resources, & Hawaiian Affairs

COMMITTEE REASSIGNMENTS

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

<u>S.B.</u>	<u>Re-referred to:</u>
<u>Nos.</u>	
666, SD2	Committee on Health, then to the Committee on Finance
1171, SD1	Jointly to the Committee on Transportation and the Committee on Water & Land, then to the Committee on Finance

ADJOURNMENT

At 1:27 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 tomorrow, Friday, March 15, 2013. (Representatives McKelvey and Mizuno were excused.)