



By Kathryn Bender, Star-Bulletin

Reps. Merwyn Seichi Jones, left, pores over papers while K. Mark Takai briefly uses his documents in a creative way during yesterday's marathon House floor session, which ran about 11 hours.

Bills, bills, bills

The Legislative session winds down on a positive note, but with the key issue of privatization unresolved

By Mike Yuen and Jim Witty

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Unlike last year's legislative session that ended in a cross-fire of blame for unfinished business, state lawmakers are wrapping up their work on a generally positive note.

But as they concluded a marathon session last night approving nearly 200 bills and prepared for tomorrow's adjournment with formal approval of a measure aimed at lowering the state's high auto insurance rates, some call their indecision on a contentious issue "a ticking time bomb."



The issue: dealing with the ramifications of a state Supreme Court ruling that threw into question state and county contracts allowing private businesses and agencies to perform an array of public services. The court sided with the United Public Workers union, concluding that government workers' jobs can't be jeopardized by those contracts. But the court also stated that "clear guidance from the Legislature is indispensable."

Lawmakers failed to do that amid controversy last night, swayed by neighbor island mayors and supporters who claimed the House-Senate compromise was worse than no bill.

Russell Okata, executive director of the Hawaii Government Employees Association, which represents roughly 25,000 public service employees statewide, this morning said the compromise bill was a good one and that the neighbor island mayors who fought it "overreacted."

He lamented that failure to pass the legislation, which called for temporary exemptions of existing and future contracts from civil service laws, throws hundreds of contracts in question.

"We believe the conference draft provided the necessary protections for public employees ... and for the employers to contract out public services," Okata said, adding that the attorney general signed off on the draft and Honolulu Mayor Jeremy Harris supported it.

He said HGEA is prepared to meet with the various public employers to reach agreement to "satisfy the employees" the union represents.

HGEA will now seek an inventory of contracts from the employers to see if they are in compliance with the court decision, Okata said.

House Minority Leader Gene Ward (R, Hahaione Valley) yesterday said lawmakers' indecision on the issue is "a ticking time bomb simply waiting for existing (public) contracts to expire."

The legislative session, which was to have adjourned yesterday, was extended two days to tomorrow to deal with a late agreement on reforming the state's no-fault auto-insurance system. House Speaker Joe Souki (D, Wailuku) said it is highly unlikely that he'll extend for the privatization issue.

Senate Co-Majority Leaders Les Ihara Jr. (D, Kaimuki) and Mike McCartney (D, Kaneohe) said lawmakers will continue to wrestle with how to boost the state's lagging economy.

“We’ve got to do more than tourism,” McCartney said. “If we work on the economy, money (for state revenues) becomes less of an issue.”



By Dennis Oda, Star-Bulletin
Rep. Ed Case goes over a few things in his office after the House session completed its work for the night.

Those broad themes were reflected in the debate over the state’s \$11.6 billion operating budget for the fiscal biennium that begins July 1.

“Unfortunately, this budget does not reflect the economic hardships faced by the people of Hawaii,” said Sen. Sam Slom (R, Kalama Valley), who cast the only dissenting vote in the Senate.

Countered Senate Ways and Means Co-Chairwoman Carol Fukunaga (D, Makiki): “We have held down the growth of government as much as possible. The Ways and Means Committee wanted to provide as much relief for small businesses as we could.”

In the House, Finance Chairman Calvin Say (D, Palolo) said his panel tried to shape a budget in hard economic times that maintains educational standards, helps the poor, eases prison overcrowding and stimulates the economy.

Say said the House held firm against deeper reductions pushed by the Senate, which would have hurt state programs and services. But he added the times when state government can attempt to

provide for all public needs are over. “It is time that we say once and for all: Government cannot, must not, and will not be all things to all people,” Say said.

House Minority Leader Ward said even Gov. Ben Cayetano’s initiative to borrow \$1 billion to speed up public works projects won’t be that effective in creating jobs or bringing about an upturn. Half of it must be used simply to bring the construction industry back to levels it previously had, while the state’s bond rating will be jeopardized, he said.

Lawmakers also acted on two key issues left unresolved from last year -- same-sex marriage and eliminating the pension perk for state and county lawmakers. In exchange for a proposed constitutional amendment to ban same-sex marriages, certain marriage-like benefits and rights for same-sex couples were approved.

Lawmakers also passed a measure that extends the life of the Hawaiian Home Lands claims review panel by two years, but it also will exclude native Hawaiians from seeking damages because they were on the waiting list for land for years -- the bulk of the 3,516 unresolved claims.



By Dennis Oda, Star-Bulletin

Reps. Ryan Yamane, left, and Paul Oshiro enjoy some food while chatting in an informal get-together in House Speaker Joe Souki's office after the House quit for the night.

House Hawaiian Affairs Chairman Ed Case (D, Manoa) said damages from the so-called “waiting list” claims could amount to more than \$100 million. He said the 1991 law that established the panel was not aimed at them, but at individuals who suffered because of a direct wrongdoing, such as a lost application.

But Rep. Quentin Kawananakoa (R, Nuuanu) said claimants were promised they could come forward and present their cases to the panel.

On the controversial privatization issue, the consensus bill called for a two-year exemption for existing and future contracts from the civil service laws so that the matter could be studied.

House Speaker Souki sent the measure back to committee, effectively killing it and leaving the counties' mayors to wait for an expected high court opinion clarifying its decision.

But Senate President Norman Mizuguchi (D, Aiea) and 16 other senators yesterday voted to pass out the bill, much to the displeasure of eight other senators.

Sen. Randy Iwase (D, Mililani) asserted that it was highly unusual for the Senate to take up a bill that the House had already voted to bury. "This is inconsistent with history and inconsistent with precedent," Iwase said, charging that leadership with interpreting and applying rules and procedures in an "inconsistent manner."

When Slom voiced his opposition, he acknowledged the presence of "the 26th senator" who "crafted" the bill. It was a barbed reference to UPW chief Gary Rodrigues, whose lawsuit led to the Hawaii Supreme Court decision and who was in the Senate gallery.

After the Senate session, Mizuguchi told reporters that, contrary to what Iwase maintains, the Senate is not obligated to agree with a House decision to recommit a measure. "I don't think we can be reactionary. They'll hold us hostage," Mizuguchi said.

The Senate's action means it is up to the House to make the next move: keep the measure bottled up or pull it out and agree with the Senate. Sen. Norman Sakamoto (D, Moanalua), one of the dissenters, countered: "Resolving this crisis requires leadership combined with the determination to make tough choices."